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# ***Daily Report***

## **China**

FBIS-CHI-90-072  
Friday  
13 April 1990

# Daily Report

## China

FBIS-CHI-90-072

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13 April 1990

**NOTICE TO READERS:** An \* indicates material not previously disseminated in electronic form.

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## General

### Spokeswoman 'Not Clear' About Xinjiang Riots

HK1304045190 Hong Kong MING PAO in Chinese  
13 Apr 90 p 8

[Excerpts] Roundup of reports by foreign news agencies: Although latest news reports say that armed Muslims made a surprise attack on a Chinese police station in a small town in Xinjiang and caused at least 66 deaths, the Chinese Foreign Ministry yesterday refused to answer questions concerning the occurrence of riots in Xinjiang and forbidding foreigners to visit the place.

At the weekly news briefing, when asked about the occurrence of riots by Muslims in the Xinjiang Uygur Autonomous Region, Foreign Ministry Spokeswoman Li Jinhua evaded the question and said that the Foreign Ministry is not responsible for internal affairs and said, "I am not clear about this matter. What riots are you talking about?" Li Jinhua also said that she has never heard about the so-called riots in Xinjiang reported far and wide by the Western mass media. She stressed that foreign correspondents must observe all travel regulations that are in force. [passages on other reports omitted]

### U.S., USSR Chemical Weapon Progress Urged

OW1204133390 Beijing XINHUA in English  
1320 GMT 12 Apr 90

[Text] Geneva, April 12 (XINHUA)—A Chinese envoy today urged the United States and Soviet Union to make substantive progress in their bilateral talks on chemical weapons and to contribute to the multilateral negotiating process.

Speaking at the United Nations conference on disarmament, Hou Zhitong, China's ambassador for disarmament affairs, said that a breakthrough in the multilateral negotiations on a global convention banning the use, production and stockpile of chemical weapons depended on whether countries possessing the largest chemical arsenals had sufficient political will to fulfill their special responsibilities.

"The international community expects them to renounce the use of chemical weapons, to destroy their existing stocks and their production facilities completely, and to halt the production and development of chemical weapons," he said.

The United States and the Soviet Union began bilateral chemical weapons talks in 1982. Since then 14 rounds of talks have been held and the latest round is under way in Geneva.

Years of negotiations between the two superpowers have so far yielded a certain measure of progress with both sides announcing their readiness to reduce their huge chemical weapons arsenals, Hou said. But he pointed out the fact that no further progress was discernible other

than the "vague expression of their intention to slash a portion of their chemical weapons arsenals within a relatively long time-frame in the future."

He added that neither side has pledged to halt its chemical weapons production and improvement, much less shown a sincere desire to refrain from the use of such weapons.

"This falls far short of the expectations of the (UN) conference and the international community as a whole," he concluded.

The Chinese ambassador also criticized the superpowers for advancing a new argument for the retention of chemical weapons. This is that even after joining the global convention on chemical weapons, a state party still has the right to retain a portion of its stockpiles should any country which it unilaterally and subjectively judges as "chemical-weapons-capable" is outside the convention. This argument has set up new obstacles for the multilateral negotiations and has already caused widespread concern and opposition, Hou said.

"If the above-mentioned argument prevails, it will provide any state possessing chemical weapons and chemical weapons production facilities with a handy pretext to retain a certain quantity of its stockpiles and production facilities, thus subjecting the numerous non-chemical-weapon states to a perpetual threat from them," he said.

He warned that this would either preclude the possibility of concluding the global convention or lead to a convention of discriminatory and unequal nature.

Ambassador Hou expressed the hope that the new artificial obstacle could be removed so that the multilateral negotiations could come back onto their normal track.

### U.S.-Europe Ties To Affect CSCE Sessions

OW1304072190 Beijing XINHUA in English  
0701 GMT 13 Apr 90

["News Analysis" by Weng Zhenbao: "U.S.-European Relationship Overshadows CSCE Economic Meeting"—XINHUA headline]

[Text] Bonn, April 12 (XINHUA)—A unified European economic zone may remain an ambitious idea as there are still many obstacles in the way ahead, especially those from the United States.

This was indicated at the first economic meeting of the Conference on Security and Cooperation in Europe (CSCE).

Although the three-week meeting ended Tuesday was featured by efforts for economic cooperation and development, the 35 nations differed widely on several major issues.

Some East European nations, including Poland, Czechoslovakia and Bulgaria, expressed their concern over the difficulties in transforming their planned economies into market economies.

Marcin Swiecicki, Polish vice-minister of foreign trade, called on the meeting to discuss the debt issue, saying it has become a big burden for Poland as its debt increases faster than its economic growth.

However, West European countries and the United States had no intention to discuss the issue. Apart from talking about market economy and expressing their willingness to offer aid, they are much more interested in opening markets in East European nations.

Unlike most CSCE European members who stressed economic cooperation, the U.S. chief representative said their main goal at the meeting was to get the meeting approve the economic cooperation principles.

The U.S. delegation insisted that market economy be connected with political pluralism which it believes would help transform East European countries into democratic states and without such a principle the United States would not consider economic cooperation.

As a pre-condition for it to participate in this meeting, the United States forbade discussions about COCOM restrictions on exporting sensitive high-technology products to the Soviet Union and other East European countries.

But the Soviet Union attacked the restrictions regardless of the U.S. opposition at the meeting while the West European countries also made the issue a secret topic, heatedly discussed in private and at press conferences.

The 15 years of CSCE history shows that the United States wants to have a hand in European affairs, while they can not be as enthusiastic as Europeans themselves. Europe needs some U.S. help, but Europeans would not stand being dictated.

It is believed that this complicated and sensitive relationship between the European countries and the United States will continue to overshadow the CSCE economic meetings in the future.

#### **Editorial Views Complex International Situation**

*HK1304081090 Hong Kong TA KUNG PAO in Chinese  
13 Apr 90 p 2*

[Editorial: "Despite Changing International Situation, China Is Firm in Its Stand"]

[Text] When meeting with foreign guests the day before yesterday, Chinese Foreign Minister Qian Qichen pointed out that at present, when violent changes are taking place in the international situation, China will remain unchanged in the following four aspects concerning its foreign relations: The policy of independence and peaceful diplomacy, the basic point of strengthening

unity and cooperation with the Third World countries, the policy of developing normal relations with various countries on the basis of the five principles of peaceful coexistence, and the policy of opening up to the outside world will all remain unchanged. These remarks show that the Chinese Government has made a sober appraisal of the changes in the international situation and clearly understands China's position in the overall international situation. With an attitude of "sitting tight in the fishing boat despite the rising wind and waves," it has maintained the greatest possible initiative in handling diplomatic affairs.

Over the past six months or so, great changes have taken place in the international situation, presenting a new scene attracting people's attention. The changes in Europe are especially great. The reunification of Germany has been placed on the order of the day. These violent changes are exceeding the expectations of many people, leading to some hasty and disorderly readjustments. For example, some U.S. analysts were just predicting the coming of a "Pacific century" not long ago, but now they have to correct themselves by saying that the development of the world situation continues to depend on the development of Europe. As a matter of fact, just as the Chinese saying goes, it takes more than one cold day for the river to freeze three feet deep, the rapid changes in such a short period of time have been brewing for a long time. With the growth and decline of the relative strength of various countries, all forces in the world are reorganizing themselves amid complex contradictions. The general trend is to develop toward multipolarity. The ability of both the United States and the Soviet Union to exert influence on international affairs has been declining. That is why changes are also taking place in the relationship among various countries in both the East and the West blocs and between the two blocs.

Despite the changing international situation, the PRC, with its 1.1 billion hard-working people who are making continuous efforts to enhance their national strength, still occupies a decisive position in the international arena. In the past, some international strategists advocated a so-called "big triangle" theory, referring to China, the United States, and the Soviet Union. Later the "triangle" theory was changed into a "pentagon" theory, adding Western Europe and Japan. With the development of the trend of multipolarity, some new theories have appeared. Whatever pattern it might be, triangle, pentagon, or any number of angles, a fact that should not be neglected is that China is always playing an important role as a pillar in one of the angles. When observing the world situation and working out policies, politicians with penetrating judgment would always take into consideration the factor of China and try their best to promote cooperation and relations with China. China can never be isolated. Any country attempting to reduce its contacts with China cannot but harm its own interests. This is an important basis for appraising the changes in the international situation.

China, which is concentrating its strength on the peaceful economic construction, is a stable force in the turbulent world. Upholding its foreign policy of independence and peaceful diplomacy, the Chinese Government is playing a constructive role in international affairs. Because China is playing an important and independent role, it should adhere to the principle of independence in diplomatic affairs and should not be attached to any big powers or groups in order to contribute to the balance and stability of the world. Likewise, if any foreign country wants to bring China into its diplomatic orbit and tries to force China to change its stand and give up independence by either hard or soft tactics, it will never succeed. Normal state relations should be developed on the basis of the five principles of peaceful coexistence, and no country should impose its own ideology onto the others. Foreign Minister Qian Qichen pointed out that in promoting international relations, it is particularly necessary to adhere to the principle of non-interference in each other's internal affairs. Since last June, proceeding from their own imaginations, some Western countries have imposed sanctions on China. Now they have one after another come to realize the importance of restoring and maintaining normal relations with China, and certain improvements have been made in their relations with China. This trend has yet to be further developed.

China is adhering to its policy of opening up to the outside world and is making efforts to promote friendship with the people of all countries. Its firm stand in diplomatic affairs is seen more clearly in stormy waves. China will never "fall into isolation" as some people have predicted, nor will it "be forgotten by the world" as others have said. Just as was mentioned by the "Government Work Report" adopted by the National People's Congress last week, "whatever stormy waves there might be in the world, socialist China will always stand rock-firm in the East."

#### **Li Peng Meets Outgoing, Newly Appointed Envoys**

*OW1204165090 Beijing XINHUA in English  
1441 GMT 12 Apr 90*

[Text] Beijing, April 12 (XINHUA)—Chinese Premier Li Peng today met with ambassadors from five countries to China.

They are outgoing Romanian Ambassador Angelo Miclescu, Polish Ambassador Marian Wozniak and Nicaraguan Ambassador Roger Baldizon Ibarra, as well as newly-appointed Guyanese Ambassador Peter Winston Denny and Yugoslav Ambassador Elija Dukic.

Li thanked the outgoing ambassadors for their efforts in promoting friendship and cooperation between their countries and China and extended welcome to the new ambassadors.

He told the ambassadors that the government work report he delivered at the recent annual session of the National People's Congress (NPC) was adopted at the

session and endorsed by the annual session of the National Committee of the Chinese People's Political Consultative Conference.

To carry out the NPC decisions, Li said, the government is making new efforts to implement the reform and open policy and to continue to straighten out the economic order and improve the economic environment so as to ensure political, economic and social stability.

He also reaffirmed China's independent foreign policy of peace.

#### **Asian Games Inspire 'Public Health Day' 15 Apr**

*OW1204203390 Beijing XINHUA in English  
1541 GMT 12 Apr 90*

[Text] Beijing, April 12 (XINHUA)—Beijing has decided on April 15 as "Public Health Day" in a bid to create a hygienic environment for the 11th Asian Games, to be staged here in the fall.

On that day, more than 2,000 public health workers will educate the public in food hygiene and the relationship between the environment and health in 121 places in the city.

Meanwhile, 13,310 medical workers from 92 hospitals will offer free diagnosis and treatment.

#### **Official Lauds World Health Organization Aid**

*OW1204185090 Beijing XINHUA in English  
1456 GMT 12 Apr 90*

[Text] Beijing, April 12 (XINHUA)—The 54 cooperation centers set up by the World Health Organization (WHO) in China have greatly helped control disease and improve sanitary conditions, according to Gu Yingqi, vice-minister of public health.

With the help of WHO, China sends more than 100 specialists and technicians to study abroad each year while inviting foreign experts to give lectures.

WHO has granted more than six million U.S. dollars to China over the past two years and will provide seven million U.S. dollars over the next two years.

#### **UN Official Supports New World Information Order**

*OW1204212590 Beijing XINHUA in English  
1855 GMT 12 Apr 90*

[Text] United Nations, April 12 (XINHUA)—Chinese Representative Wang Guangya reiterated here today that China supports the developing countries in their demand for the establishment of a new, more just and more effective world information and communication order.

Speaking today at the 12th session of the UN committee of information Wang said the modern technology of producing and disseminating information should be

used to strengthen world peace and security, promote mutual understanding and trust of the people and accelerate the social, economic and cultural progress of all countries.

However, the Chinese delegate said, "the serious imbalances between the developing countries and the developed ones in the capacities of information and communication have not only been very much in place, but aggravated even further."

He pointed out that the situation still remains unchanged that a few developed countries monopolize the global operations of information and communication and the vast number of developing countries continue to be in the dependent status.

"Many developing countries that do not have adequate means of information and communication have learned profoundly the injustice of the existing order through their own experiences, and their call for the establishment of a new, more just and more effective world information and communication order is thus fully justified."

Wang also pointed out that for some time, a small number of developed countries failed to observe the principles of objectivity and fairness in news reports about countries with social systems different from their own, even to the point of rumormongering.

"Such acts of ignoring the sovereignty and interfering in the internal affairs of others have not only jeopardized normal state relations, but also run counter to the wishes of the world's people for further progress toward relaxation of tension in the world," he added.

#### **World Mining Congress To Convene in Beijing**

*OW1304112490 Beijing XINHUA in English  
1047 GMT 13 Apr 90*

[Text] Beijing, April 13 (XINHUA)—The 14th World Mining Congress and Exhibition to be held here in mid-May will search for new approaches to develop mining industries and consider new trends in mining industry technology and equipment by the year 2000.

Hong Ge, chairman of the Chinese Organizing Committee of the congress and vice-chairman of the Nonferrous Metals Society of China, said the congress will discuss ways to improve mining operation management to increase economic returns and to forecast the market of the mining industry.

Hong said the congress has received 160 papers and more than 2,000 applications to attend the congress. About 800 of the applications are from more than 30 countries and regions, including the Soviet Union, the United States and Japan.

The 14th World Mining Congress and Exhibition are being organized by the International and the Chinese Organizing Committees of the World Mining Congress

under the sponsorship of China's State Science and Technology Commission, the Ministry of Geology and Mineral Resources and the Coal and Nonferrous Metals Industrial Corporation.

#### **Nongovernmental Organization Seminar Slated**

*OW1304074290 Beijing XINHUA in English  
0155 GMT 13 Apr 90*

[Text] Beijing, April 13 (XINHUA)—A seminar, focusing on the cooperation between China and international non-governmental organizations (NGO), will be held in Jinan, capital of Shandong Province, from April 17 to 19.

Ding Ligu, an official from the China International Center for Economic and Technical Exchanges (CICETE) said the seminar, co-sponsored by the CICETE and the United Nations Development Program (UNDP), is the first of its kind in China.

He said representatives from 26 foreign NGOs will participate in the seminar.

During the seminar, he said, foreign representatives will swap experience with Chinese counterparts from various provinces, autonomous regions and counties.

CICETE is a non-governmental organization which is responsible for coordinating UNDP aid to China and cooperation programs conducted by foreign NGOs.

Since 1985, the center has set up exchanges with nearly 100 foreign NGOs, and conducted activities with over 30 NGOs from more than 10 countries including the United States, Canada, Federal Germany, Britain, France, Australia, Switzerland and Japan.

Ding said that after the seminar the representatives will inspect some programs sponsored by foreign NGOs in Shandong.

### **United States & Canada**

#### **Relations Committee Chairman Views Hong Kong**

*HK1204100090 Beijing RENMIN RIBAO OVERSEAS  
EDITION in Chinese 3 Apr 90 p 5*

[Special Dispatch: "Chairman of U.S.-China Relations Committee Says in Hong Kong that the United States Should Take into Account the Possible Impact on Hong Kong in Formulating Policies toward China"]

[Text] Hong Kong—During his recent trip to Hong Kong, Chairman of U.S.-China Relations Committee called on the U.S. Government to take into account the possible impact on Hong Kong in formulating her policies toward China.

When attending a party hosted by American Chamber of Commerce in Hong Kong on 28 March, Mr Lampton, chairman of U.S.-China Relations Committee, said that



Washington's policies toward Hong Kong will "inevitably" touch upon its policies toward China. In considering imposition of trade sanctions against China and cancellation of the most-favored-nation treatment to China, the United States should take into account the possible impact such actions will have on Hong Kong. In fact, Hong Kong's manufacturing industry has already extended to the southern part of China.

Mr Lampton pointed out that the U.S. domestic economy is becoming increasingly dependent upon the overseas market. Hong Kong is just such a place that can make the United States better understand this fact. At present, there are more than 800 U.S. companies in Hong Kong. In 1989, some 32 percent of Hong Kong's export went to the United States while some eight percent of the U.S. export went to Hong Kong. In 1989, Hong Kong also handled some 20.7 percent of the U.S. entrepot trade. Due to these reasons, Mr Lampton held that Hong Kong is now "more important" to the United States than in the past. Mr Lampton believed that any policy changes or actions on the part of the United States with regard to China will certainly affect the Hong Kong-based U.S. businessmen's investment interest and confidence. Mr Lampton hoped that the U.S. Government will take this factor into consideration.

### Soviet Union

#### Xinjiang Violence Reflects Republics Unrest

##### Border Posts Closed

HK1304034590 Hong Kong SOUTH CHINA MORNING POST in English 13 Apr 90 p 10

[By David Chen]

[Text] Chinese authorities have closed down three trading posts along the Xinjiang-Soviet Central Asian border following unrest in the northern part of the Xinjiang Uygur autonomous region, according to reliable sources.

The regional capital has remained extremely tense in the past week with fully armed troops patrolling the streets. Chinese cadres and other Han people were warned not to appear in the streets at night for fear of being waylaid by the Uygur minority.

The sources also said that in Atlay, northeast Xinjiang, bordering on Mongolia, there had been some clashes last week with casualties. The situation, however, was gradually returning to normal. There was no indication of any deaths in these clashes.

At the same time, unconfirmed reports reaching Beijing yesterday said at least 60 civilians and six police officers were killed in clashes on Thursday and Friday of last week in Artux, a town just north of Kashgar, in the west of the vast Central Asian region.

Reports from Urumqi, the capital of Xinjiang, said the violence broke out when ethnic Kirgiz Muslims, asserting their non-Chinese roots, balked at being given Chinese identity documents.

Some of the rioters were said to be armed with guns.

In Urumqi, an official of the Xinjiang Foreign Affairs Office, who gave his name as Li, said order now prevailed over the huge region, much of which is desert.

"Xinjiang is stable now," he said by telephone. "We haven't heard about the things you've heard about. Please don't pay attention to what you hear through the grapevine".

Travellers contacted by telephone in Urumqi said the city appeared calm, after a reported demonstration on Tuesday at a local mosque to protest at last week's disturbances.

The unrest in Xinjiang was, according to an informant, due to a spill over of the racial unrest in neighbouring Tadzhikistan, Kirghistan and Kazkhkistan republics in Soviet Central Asia.

In mid-February, the local Muslims in Tadzhikistan clashed with Soviet troops, resulting in eight deaths. The situation was quickly put under control, but news of the "uprising" arrived on the Chinese side where similar unrest, over the building of a mosque, broke out in Kashgar, and also in Hotan, about 450 kilometres south-east.

At a press briefing in Beijing yesterday, the Foreign Ministry spokeswoman, Ms Li Jinhua, refused to confirm reports of unrest in the autonomous region.

Meanwhile, the central Government has launched a massive relief effort for Inner Mongolia, appealing to people to help victims of a major natural disaster in the remote region.

But a government source said there had been no disaster and Chinese academics said the relief effort was a covert operation apparently designed to redress past policy mistakes and forestall possible unrest.

##### Ethnic Unrest Influence

HK1304035190 Hong Kong HONGKONG STANDARD in English 13 Apr 90 p 10

[By Cheung Po-ling]

[Text] The ethnic unrest that has plagued the Soviet Union is influencing events in the adjacent Xinjiang Uygur autonomous region, according to some Eastern bloc diplomatic analysts.

The analysts said that although there was no evidence to confirm whether China had already sent troops into Xinjiang to quell ethnic violence among Moslem

Uygurs, the independence claim advocated by Soviet Asian republics would certainly spark off some repercussions.

"The Uygurs and the people in the Soviet republics share a lot of similarities in their religious customs, life styles and their culture, including their language," said one analyst.

"In addition, the increased trading activities across the border and growing contacts between people from the two sides due to better transport links have exposed the Chinese to the reforms in the Soviet Union."

In an earlier interview, Mr Tomur Dawamat, chairman of the Xinjiang Autonomous Regional Government, admitted the independence movement in the Soviet republic of Lithuania had caused some impact on the region.

He acknowledged that sporadic ethnic unrest had lasted in Xinjiang over the past few years.

But he added that the situation in the Soviet Union was very different from that in China and that the changes could not be applied to China.

However, the diplomatic analysts said China and the Soviet Union were basically facing the same problem with minority conflicts.

"The Chinese authorities are undoubtedly worried that three Soviet republics close to China are actively seeking independence from Moscow's control," one analyst said.

He added it was apparent that Moslem separatist activities in the neighbouring Soviet republics had spilled over into Xinjiang, but what had happened in the Soviet Union was not the only cause of instability in the Chinese region.

"Disturbances in minority regions in China were reported well before the independence claims in the Soviet republics," he said.

Another analyst said: "Religious forces also help motivate splits in the region."

He said many minorities might be deeply disturbed by the religious policy hammered out by China.

Conflicts in religious understandings have always led to separatist activities, he added.

"Developments in East Europe and the Soviet Union have indeed captured the imagination of many Chinese whose own hopes of political changes have been dashed by the military crackdown last June," said the analyst.

He added he was also aware that even in remote areas such as Xinjiang and Tibet, nationalists who took part in pro-independence protests in the regions recently asked foreign visitors about the latest developments in East Germany.

Diplomatic sources also said the Soviet government and its embassy in Beijing had refrained from commenting on the Soviet Union's influence on the minorities issue in China.

Premier Li Peng is due to visit Moscow later this month and the Soviet government does not want to damage Sino-Soviet relationships.

The recent comment by Mr Li that the Soviet Union was still a socialist country was seen by Moscow as a friendly gesture.

"Both sides have strived not to spoil the present bilateral relationship, at least before the visit of the Chinese premier," said a source.

### Li Peng To Pay 'Official Visit' 23-26 April

HK1304094290 Beijing XINHUA in English  
0940 GMT 13 Apr 90

[Text] Beijing, April 13 (XINHUA)—Premier Li Peng of the State Council of the People's Republic of China will pay an official visit to the Soviet Union from April 23 to 26, 1990 at the invitation of the Government of the Union of the Soviet Socialist Republics.

This was announced by a Chinese Foreign Ministry spokesman here today.

This will be the first visit to the Soviet Union by a Chinese premier since 1964. During his visit, Li Peng will have an extensive and in-depth exchange of views with Soviet leaders on the bilateral relations and major international issues of common concern.

### Editorial Views Cautious, Planned Relations

HK1304101390 Hong Kong WEN WEI PO in Chinese  
13 Apr 90 p 2

[Editorial: "China Prudently and Properly Deals With Sino-Soviet Relations"]

[Text] Before Li Peng's visit to the Soviet Union, scheduled for the second half of the month, a delegation from the CPSU International Department headed by its deputy chief (Feiaodeluofu) [6316 159 1779 1795 1133] arrived in Beijing 10 April for an eight-day visit.

This March, CPC Central Committee Propaganda Department head Wang Renzhi led a party workers delegation to Moscow. A month has just passed and (Feiaodeluofu) has immediately paid a return visit. This indicates that there have been frequent consultations between the two parties.

Both the CPC and the CPSU are carrying out reforms but each adopts different measures, tactics, and patterns because of different national conditions and stages of development. There is not an actual fixed model of how to build socialism for different countries. Communist parties of different countries should respect the difference. No uniformity should be imposed and no model

should be forcibly accepted as a standard one. Since the disturbances of the 1960's, the two parties have agreed to "put an end to the past and explore the future" and restore normal contacts. Just as wit bought is better than wit taught, now both sides can calmly look upon the other's development model, get along with one another on the basis of equality, exchange information, and consult, explore, and exchange reform experience to build their countries well.

Practice is the sole criterion for testing truth. No one can claim to be the holder of truth nor can really have a profound grasp of it. What is important is that truth is established through practice. The yardstick for testing it is whether it can yield good results for the country, the people, and the development of socialism. Different kinds of experience can be gained in the process of practice and they can be mutually exchanged for reference. Exchange visits between the two parties will help exchange experience for reference, seek common ground while reserving differences, and promote cooperation with each other.

Developing the economy is the key task for the Chinese Party at the primary stage of socialism. The Soviet Party also pays great attention to economic development. Economically, the two nations and parties can carry out full cooperation, helping supply each other's needs and making up for each other's deficiencies. Aside from border trade, it is likely to promote long-term cooperation in the transportation, energy, raw and semi-finished materials, and light industries. The issue of better building the special economic zones in border areas in close cooperation with each other can be regarded as a subject for discussion.

Working for world peace and seeking a stable international environment for the sake of reform is also the major task ahead for the two nations and parties. There is still a secondary current running counter to the efforts to relax world tension which seeks to interfere in the internal affairs of other countries and provoke and support instability factors. External interference adds difficulties to reforms. China has suffered more than a little from it and the Soviet Union is also faced with the problem. China and the Soviet Union can consult with each other on how to safeguard the five principles of peaceful coexistence, promote a detente situation in the world and establish a reasonable new international order, coordinate with each other, and exchange views on the present world situation and major contradictions facing the world.

Sino-Soviet relations are unlikely to go back to those of the 1950's but it is extremely necessary to seek common ground for the interests of the two nations and two parties. Developing the relations between the two nations and two parties in accordance with the principles of equality, mutual respect, and non-interference in each other's affairs would also be good for the cause of

socialist reform. For this reason, exchanges between the Chinese and Soviet parties, governments, and armies are developing.

In an interview with the Soviet TASS NEWS AGENCY on the eve of his visit to the Soviet Union, Li Peng pointed out: "Our relations should have developed at a faster pace." "There is no perfect model for the development of socialism. The Soviet Union has its way and China also has its own but this should not prevent our two nations and two parties from maintaining normal relations." "I have read documents adopted at recent plenary sessions of the CPSU Central Committee and resolutions passed by the Soviet People's Congress [as published]. My personal impression is: Your nation has not diverted from the orientation of socialism, so we can exchange views on how to follow the socialist road. And even though the people of your country maintain that socialism is no longer the ideal of the Soviet Union, and even under such circumstances, we still hold that we should maintain normal relations with your nation." These remarks are of profound significance and show that summing up the past experience, China has become more and more mature and can prudently and properly handle the relations between the two countries and two parties.

## Northeast Asia

### Qian Qichen Meets Senior Japanese Diplomat

OW1204170490 Beijing XINHUA in English  
1512 GMT 12 Apr 90

[Text] Beijing, April 12 (XINHUA)—Chinese Foreign Minister Qian Qichen had a friendly conversation here today with Owada Hisashi, Japanese deputy vice-minister of foreign affairs.

Both of them expressed willingness to join hands in putting the Sino-Japanese friendly relations of cooperation back onto the normal course as soon as possible.

Yesterday Chinese Vice-Foreign Minister Qi Huaiyuan and the Japanese visitor held the 10th round of regular consultations between the Chinese and Japanese foreign affairs authorities.

They exchanged views on bilateral relations, the international situation and regional issues in a friendly and frank atmosphere, which helped increase mutual understanding and yielded beneficial results.

### DPRK Consulate in Shenyang Holds Reception

SK1304021990 Shenyang Liaoning Provincial Service  
in Mandarin 2300 GMT 11 Apr 90

[Text] On the evening of 11 April, the DPRK Consulate in Shenyang held a reception in Fenghuang Hotel to celebrate Comrade Kim Il-song's 78th birthday.

Vice Governor Zhu Jiazhen; Wang Chonglu, member of the Standing Committee of the provincial party committee and director of the Propaganda Department; and Zhang Tiejun, president of the provincial Association for Friendship with Foreign Countries; (Shi Jingqing), president of the provincial branch of the China-Korea Friendship Association; Ai Tingjun, vice mayor of Shenyang City; and responsible persons from the departments concerned were invited to the reception.

Yu Man-pok, consul general of the DPRK Consulate in Shenyang, and Vice Governor Zhu Jiazhen gave speeches at the reception and watched a Korean documentary on Comrade Jiang Zemin's visit to Korea.

#### **DPRK Confirms Participation in Asian Games**

OW1304080590 Beijing XINHUA in English  
0724 GMT 13 Apr 90

[Text] Beijing, April 13 (XINHUA)—The Democratic People's Republic of Korea will participate in the 11th Asian Games to be held here from September 22 to October 7, according to the Beijing Asiad Organizing Committee here today.

The DPR Korean participation was confirmed by DPR Korean Olympic Committee President Kim Yu-sun in his recent message to Beijing Asiad Organizing Committee Chairman Chen Xitong.

### **Southeast Asia & Pacific**

#### **Qian Qichen Receives Vietnamese Ambassador**

BK1104152590 Hanoi VNA in English 1508 GMT  
11 Apr 90

[Text] Hanoi VNA April 11—Chinese Foreign Minister Qian Qichen cordially received Vietnamese Ambassador to China Dang Nghiem Hoanh in Beijing on April 10.

The Chinese Foreign Minister and the Vietnamese ambassador expressed the same desire for early restoration of normal relations and traditionally fine friendship between the Vietnamese and Chinese peoples.

The reception took place in a friendly atmosphere.

#### **Li Peng Asked Japan to Unfreeze 3d Yen Loan**

OW1104155190 Tokyo KYODO in English 1251 GMT  
11 Apr 90

[Text] Beijing, April 11 KYODO - Chinese Premier Li Peng called on Japan Wednesday to unfreeze a third yen loan package to China which has been on hold since the military crackdown on pro-democracy demonstrators in Beijing last June.

Li made the request when he met Tomio Tatsuno, president of Marubeni Corp., a major Japanese trading house, company officials said.

"Orientals are people who keep their promises. I believe Japan will carry out its promise soon... If Japan delays its implementation, there will be criticism from their [as received] Chinese people," Li was quoted as saying.

The Chinese premier said Japan should cooperate with China on projects in Hainan Island, southern China.

In 1988, then Prime Minister Noboru Takeshita pledged an 810 billion yen loan package planned for implementation from 1990 to 1995.

#### **LDP Official, CPC Officials Discuss Relations**

OW1104171590 Tokyo KYODO in English 1435 GMT  
11 Apr 90

[Text] Beijing, April 11 KYODO—A visiting Japanese ruling Liberal Democratic Party (LDP) official said Wednesday he has agreed with Chinese officials to establish friendly relations between the LDP and the Chinese Communist Party.

Kazuo Aichi, a member of the House of Representatives and head of the LDP's International Bureau, said the agreement came when he met Zhu Liang, head of the Chinese Party's International Liaison Department on Tuesday and Vice Premier Wu Xueqian on Wednesday.

Aichi said after returning home, he wants to discuss the matter within the LDP, which has not as a body decided to establish friendly relations with the Chinese Party.

The vice premier also called for Japan to resume a yen loan package to China which has been on hold since the military crackdown on pro-democracy demonstrators here in last June.

Aichi was the first LDP International Bureau chief to visit China.

#### **NPC Official Meets With Thai Youth Delegation**

OW1304105390 Beijing XINHUA in English  
1032 GMT 13 Apr 90

[Text] Beijing, April 13 (XINHUA)—Sun Qimeng, vice-chairman of the Standing Committee of the National People's Congress (NPC), met a Thai youth delegation led by Phon Roengprasertwit, minister to prime minister's office of Thailand, here today.

The Thai visitors arrived in Beijing yesterday for a nine-day visit to China as guests of the All-China Youth Federation.

### **Near East & South Asia**

#### **Wu Xueqian Meets Editor-in-Chief of Magazine**

OW1204115090 Beijing XINHUA in English  
1119 GMT 12 Apr 90

[Text] Beijing, April 12 (XINHUA)—Chinese Vice-Premier Wu Xueqian met with the "SOUTH" magazine editor-in-chief, Altaf Gauhar, here this afternoon.



They exchanged views on international issues of common concern, especially disarmament and development.

#### **Trade Union Delegation Visits Syria**

*OW0304145190 Beijing XINHUA in English  
1321 GMT 3 Apr 90*

[Text] Damascus, April 3 (XINHUA)—Chen Bingquan, vice-president of the All-China Federation of Trade Unions, held talks here today with 'Izz-al-Din Nasir, chairman of the General Federation of Syrian Trade Unions, on ways of promoting ties of cooperation between trade unions of the two countries.

The two sides exchanged views on political conditions and changes undergone in the world, particularly in Eastern Europe, a delegation source said, adding that both sides shared identical viewpoints.

The three-member Chinese trade union delegation arrived in Damascus last Friday, the last leg of its Middle East tour which has already taken it to Iraq, Libya and Egypt.

The Chinese delegation also met with 'Awdah Qassis, secretary-general of the General Federation of Syrian Trade Unions as well as officials of the General Federation of Arab Trade Unions.

During their stay here, the Chinese guests visited a textile factory, and plants making ready-made clothes and medicines in Damascus, Aleppo in north Syria and Hims in central Syria.

A Sino-Syrian agreement for trade union cooperation will be signed this evening and the Chinese delegation will leave Damascus tomorrow for home.

#### **Indian Textile Exhibition Opens in Beijing**

*OW1204183490 Beijing XINHUA in English  
1455 GMT 12 Apr 90*

[Text] Beijing, April 12 (XINHUA)—An exhibition of Indian textiles opened in the exhibition hall of the National Library of China here today.

Some 200 exhibits were selected from works by Indian artisans over the past 10 years, including painted and block-painted textiles, ikat (a technique in which the pattern is "programmed" into a textile by tie-dyeing the threads before weaving), brocades and saris (traditional women's garments).

The exhibition, "splendors of Indian textiles", is sponsored by the Indian National Handloom and Handicraft Museum, and the China International Arts Exhibition Agency and the National Library of China.

China's acting minister of culture, He Jingzhi, and Indian Ambassador to China C.V. Ranganathan made speeches and cut the ribbon for the opening ceremony.

Among those attending were Martand Singh, secretary-general of the National Arts and Cultural Traditions of India, who escorted the exhibits to China, and Jyotindra Jain, director of the National Handloom and Handicrafts Museum of India.

#### **Sub-Saharan Africa**

##### **President of Equatorial Guinea Visits Beijing**

###### **Welcome Ceremony Held**

*OW1304073790 Beijing XINHUA in English  
0650 GMT 13 Apr 90*

[Text] Beijing, April 13 (XINHUA)—Chinese President Yang Shangkun presided over a grand welcome ceremony in honor of the president of the Republic of Equatorial Guinea, Obiang Nguema Mbasogo, here this morning.

Obiang arrived in Beijing last night for an official visit at the invitation of the Chinese president.

The ceremony began at nine a.m. The military band played the national anthems of the two countries amid the 21-gun salute. Obiang reviewed the Guard of Honor of the Chinese People's Liberation Army in the company of Yang. Then the two leaders had a cordial conversation in the Great Hall of the People.

Attending the ceremony and the conversation were Vice-Chairman of the Chinese National People's Congress Standing Committee Wang Hanbin, Vice-Premier Wu Xueqian, Foreign Minister Qian Qichen, and Chairman of the Reception Committee and Minister of Commerce Hu Ping, and Equatorial Guinean senior officials accompanying the president.

###### **Meets Yang Shangkun**

*OW1304093390 Beijing XINHUA in English  
0916 GMT 13 Apr 90*

[Text] Beijing, April 13 (XINHUA)—Obiang Nguema Mbasogo, president of Equatorial Guinea, said here today that his country firmly supports China in its condemnation of any activities hostile to China or attempting to isolate China.

In a meeting with Chinese President Yang Shangkun in the Great Hall of the People, he said that he expected his current visit to China will further enhance the bilateral relations.

On behalf of the Chinese Government and people, Yang extended a warm welcome to President Obiang who is visiting China for the second time. Yang said that the scheduled talks and meetings between President Obiang and Chinese leaders will be conducive to the promotion of mutual understanding and friendship between China and Equatorial Guinea.

Obiang arrived in Beijing last night for an official visit at the invitation of the Chinese president.

Yang Shangku, presided over a grand welcome ceremony in honor of President Obiang this morning.

### Meets Li Peng

OW1304091490 Beijing XINHUA in English  
0852 GMT 13 Apr 90

[Text] Beijing, April 13 (XINHUA)—Chinese Premier Li Peng and Equatorial Guinean President Obiang Nguema Mbasogo here today had an in-depth exchange of views on the international situation and further development of bilateral relations.

Li Peng said the current world situation is complicated and changeable. The developing countries are facing some political and economic pressure. The economic gap between the South and the North are widening.

As a member of the Third World, Li said, China is deeply sympathetic with the difficult situation the African countries and other Third World countries face. China takes strengthening the unity and cooperation with Third World countries as the basic starting point of its foreign policy.

Speaking of the domestic situation, Li said China has encountered some temporary difficulties and problems and has scored some great achievements. China will continue to proceed by relying on its own strength to overcome difficulties.

Li expressed thanks to President Obiang and the Government of Equatorial Guinea for their understanding and support of China's internal and external policies.

During the talks, Obiang touched upon the economic cooperation between the two countries.

Participating in the talks were minister of state for presidential affairs, Lejandro Evuna Owono, minister of state for foreign affairs and cooperative affairs, Santiago Eneme Ovono, and other senior Equatorial Guinean officials.

Foreign Minister Qian Qichen, Minister of Commerce Hu Ping, and other Chinese officials also participated in the talks.

### Anniversary of Sino-African Friendship Marked

OW1204165690 Beijing XINHUA in English  
1444 GMT 12 Apr 90

[Text] Beijing, April 12 (XINHUA)—The 30th anniversary the Chinese-African People's Friendship Association (CAPFA) was marked at a reception here this evening.

In his toast, CAPFA President Gong Dafei reviewed the "useful work" the association had done to promote China's friendly cooperation with African countries and

to support their efforts to win and safeguard national liberation and independence.

The non-governmental friendly ties between China and African countries reached "a new high" in the last decade, with more frequent contacts and wider scope of cooperation, Gong said, adding that such cooperation enjoys a broad prospect.

CAPFA will unswerving develop the friendly, cooperative relations with Third World countries, he said.

In his toast Jean Jacques Maurice, ambassador of Madagascar to China, wished CAPFA "greater achievements," saying he expects the African and Chinese people to make joint efforts in expanding their friendly cooperation.

Xi Zhongxun, vice chairman of China's National People's Congress Standing Committee, along with Beijing-based African envoys and their spouses, and Chinese officials of relevant departments, attended the reception, which was co-hosted by the Chinese People's Association for Friendship with Foreign Countries and CAPFA.

Earlier today, the CAPFA board of directors held a meeting.

### Nigerians Visit To Study Traditional Medicine

OW1204205090 Beijing XINHUA in English  
1637 GMT 12 Apr 90

[Text] Lagos, April 12 (XINHUA)—A Nigerian delegation will visit China next week to study Chinese traditional medicine and assess its relevance to the African situation, the Nigerian newspaper "NATIONAL CONCORD" reported today.

The delegation comprises the director and three other officers of the new National Institute for Pharmaceutical Research and Development (NIPRD) and science correspondent Mr. Bisi Akinkohio of the Concord Newspapers.

The trip is sponsored by publisher of the Concord Newspapers Basorun M.K.O. Abiola, who said here yesterday that the effectiveness and ready availability of Chinese traditional medical practice left him a deep impression during his visit to China in 1988.

He added that the delegation will return with a workable programme of action for revamping long-neglected traditional medical sector in Nigeria.

The delegation will visit various Chinese medical establishments during its half-month visit in China.

### East Europe

#### Li Peng Receives New SFRY Envoy

LD1204174690 Belgrade TANJUG in English  
1510 GMT 12 Apr 90

[Text] Beijing, April 12 (TANJUG)—China wants to continue to develop comprehensive relations with Yugoslavia. Chinese Premier Li Peng said in Beijing today, in a talk with newly-appointed Yugoslav ambassador to the People's Republic of China Ilija Djukic.

As Li Peng assessed, the two countries now have "excellent relations." In the same talk, both sides expressed readiness to further develop relations. It was underscored that both countries are developing socialism, but each in its own way and following its own path. These differences in the construction of socialism, however, are no obstacle to the further development of good relations.

The Chinese premier today received also the ambassadors of Romania, Poland, and Nicaragua, who are ending their terms of office in China, and of the new ambassadors, in addition to the Yugoslav, he also received the ambassador of Guyana.

Addressing the five ambassadors, the Chinese premier underlined the readiness of his country to develop relations based on the five principles of peaceful coexistence with all countries.

Having in mind the major changes in Eastern European countries, the Chinese premier told the ambassadors of Romania and Poland that, regardless of the changes there, China is ready to develop relations with these countries and to follow carefully developments in them. On this occasion Li Peng again emphasized that the internal system of a country is its own concern and that others have no right to interfere in it.

### Latin America & Caribbean

#### Li Peng Meets With Guyanese Foreign Minister

HK1204124890 Beijing ZHONGGUO XINWEN SHE  
in Chinese 1121 GMT 12 Apr 90

[Report by reporter Li Wei (2621 0251): "Li Peng Says: There Have Not Been Any Multipolarities in the World Yet"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 12 Apr (ZHONGGUO XINWEN SHE)—Chinese Premier Li Peng said this afternoon that there has now appeared the trend of multipolarity in the world; some regions and countries are having greater functions in international affairs; however multipolarity represents only a stage in the development process, and has not yet been truly established.

He also said, although great changes have occurred in the international situation, the overall pattern in which the United States and the Soviet Union are the two contenders for strength remains. The world has seen relaxation, but the risks of war are not totally gone. As long as there is still hegemony and power politics in the world, there will not be peacefulness in the world. The gap between the East and West and the expansion of the gap between poverty and wealth also contribute to world instability.

Li Peng made the above comments on the international situation at the request of his guest, Jackson, the foreign minister of Guyana.

Li Peng considered that peace and development are still the main tasks for the people of the contemporary world. He hopes that developing countries can develop their national economies, run their own countries well and make larger contributions to world peace.

Li Peng also touched on relations with the Third World. He said, China is willing to develop good relations with Third World countries. At present China's ability is limited and its help is very little. However, China understands the harm done to Third World countries by suppression and exploitations.

On China's domestic situations, Li Peng reiterated that China will continue to carry out reform and the open policy. At present China is experiencing some difficulties, but China is confident about constructing the country well.

Foreign Minister Jackson agreed with Li Peng's analysis of the international situation, stated that the recent changes differ from the past in their rapidity and violent nature, making it difficult to predict their directions and outcome; and this brings instability, as well as opportunities and challenges.

**Political & Social****Futher Coverage of Third Session of Seventh NPC****Li Peng Message to Hong Kong**

*HK2703022790 Hong Kong HONKONG STANDARD  
in English 27 Mar 90 p 1*

[By Fan Cheuk-wan in Beijing]

[Text] Chinese Premier Li Peng yesterday extended goodwill to Hong Kong by sending his personal wishes for the territory's continued prosperity.

He also urged Hong Kong reporters to interview ordinary people in Beijing to seek their opinions on the June 4 incident.

Taking his advice, some reporters covering the National People's Congress (NPC) went to interview people on the streets in the capital.

Wearing a long black coat and tie, Mr Li smiled and cheerfully answered questions from reporters.

"I hope Hong Kong will continue to maintain its prosperity and stability," Mr Li said.

An hour later he stopped again to answer questions about the June 4 incident.

Mr Li said he had already talked too much about the subject while other Chinese leaders and ordinary people had also spoken a lot on the issue.

"You should go to interview the people to see their opinions towards the June 4 incident," he said.

But Mr. Li had no chance to elaborate before his bodyguards and secretaries barred reporters from asking further questions.

Two other senior leaders also attended group discussions of various provincial delegations to the NPC.

Mr Wan Li, chairman of the NPC, attended the group discussion of the Zhejiang delegation while Mr Zou Jiahua, Minister of the State Planning Commission, attended the group discussion of the Sichuan delegation.

However, Mr Zou cancelled his plan to deliver a speech to the Sichuan delegation at the end of the group discussion when journalists put their tape recorders in front of him.

"I won't say any more," he said but gave no reason for not giving the speech.

Taking the advice of Premier Mr Li, some Hong Kong reporters interviewed people on the street in Beijing about the June 4 crackdown on prodemocracy demonstrations.

Those Beijing residents who were willing to answer questions stuck to the party line.

One young man said: "It is really hard to comment on the incident since it was such a complicated one. And I believe complicated situations exist in every society."

Asked about the military crackdown, his girlfriend said: "It is still hard to reach a conclusion, isn't it?"

One old man commented: "I'm totally in line with the government's stand, there was nothing wrong (with the crackdown)."

**Closed Door Session Held**

*HK0304022590 Hong Kong SOUTH CHINA  
MORNING POST in English 3 Apr 90 p 12*

[By Chris Yeung]

[Text] Hong Kong delegates of China's national legislature yesterday grilled Beijing officials at a closed-door discussion on last year's suppression of the student-led pro-democracy movement.

It was learned that some local deputies to the National People's Congress (NPC) had sought details on the military crackdown and the number of students who were arrested and detained after June 4, at a meeting with officials of the Beijing Municipal Government, including the vice-mayor, Mr Li Yucheng.

One deputy said: "They attributed the incident to international and domestic forces, failure to re-educate some of the bad elements in society and internal problems within the party."

"We asked them whether it was all because of the political struggle over the party line. They failed to give us a definite answer."

Some local delegates have demanded a detailed report on the killings at the NPC session, which ends tomorrow.

"They just repeated their version of June 4. We grilled them on why arms were called in and asked for the total number of soldiers sent to the city. They did not answer."

"We asked them how many students were arrested or are under detention. They said they were still counting," the delegate said.

The Hong Kong member said some deputies also expressed anger over the tight security mounted in and around Tiananmen Square on Sunday when rumours were rife that students would "take a stroll" as a silent protest.

"It will create a bad image to foreign countries and on the mainland that the atmosphere is still very tense here. They should not be over-sensitive. I don't think the students will hold any mass demonstration in the next few months," he said.



### Legislators View Joint Ventures

OW2803034590 Beijing XINHUA in English  
0303 GMT 28 Mar 90

[Text] Beijing, March 28 (XINHUA)—As a further move to protect the interests of foreign investors in the country, China is expected to announce a clear statement that the state shall not nationalize or requisition any Sino-foreign equity joint venture.

This is part of the four major changes in a draft amendment to the law on Chinese-foreign equity joint ventures, which has been submitted to the current session of the National People's Congress (NPC) for deliberation.

Other changes in the draft amendment include the selection of the chairman of the board of directors, the issue of operation periods, and the banks with which equity joint ventures can open accounts, according to an explanation on the draft amendment made here today at the NPC session by Zheng Tuobin, Minister of Foreign Economic Relations and Trade (MOFERT).

The law on Chinese-foreign equity joint ventures was promulgated and enacted in 1979.

In the draft amendment, Zheng said, the following paragraph was added to Article 2 of the law: "The state shall not nationalize or requisition any equity joint venture. Under special circumstances, when public interest requires, equity joint ventures may be requisitioned by legal procedures and appropriate compensation shall be made."

Zheng told the session that a stipulation similar to the paragraph has been included in the law on solely foreign-invested ventures promulgated on April 12, 1986. "To add such a paragraph to the law on Chinese-foreign equity joint ventures is in accordance with common international practice and the agreements on investment protection that China has signed with foreign governments," he said.

He said that a stipulation on the selection of the board chairman in paragraph one of Article 6 was amended to: "The chairman and the vice-chairman or vice-chairmen shall be chosen through consultation by the parties to the venture or elected by the board of directors. If the Chinese side or the foreign side assumes the office of the chairman, the other side shall assume the office(s) of the vice-chairman or vice-chairmen."

Such a revision will be conducive to the management and development of the joint ventures, Zheng Tuobin stressed.

According to the original paragraph in Article 6 of the law, "The board of directors shall have a chairman, whose office shall be assumed by the Chinese joint venturer(s)."

In practice, Zheng said, both Chinese and foreign partners consider such a stipulation unreasonable, for it rules

out the possibility of foreign partners serving as board chairmen despite the size of their investment.

According to paragraph two of Article 7 in the law, "A joint venture that possesses advanced technology by world standards may apply for a reduction of or exemption from income tax for the first two to three profit-making years."

The revised version in the draft amendment reads: "An equity joint venture may, in accordance with provisions of the relevant laws and administrative rules and regulations of the state on taxation, enjoy preferential treatment for reduction of or exemption from taxes."

This revision, Zheng explained, is based on the fact that since the joint venture law was issued, the state has enacted relevant laws and administrative regulations on taxation, which govern reduction of or exemption from taxes for equity joint ventures.

The law stipulates in Article 12 that "the contract period of a joint venture may be decided through consultation by the parties to the venture according to its particular line of business and circumstances."

Based on experiences in the past few years as well as opinions from various aspects, Zheng said, a revision was first made in Article 12 to stipulate that parties to a joint venture may or may not specify the operation period in their contract.

In light of the suggestions put forward by some NPC Standing Committee members while examining the draft amendment, Zheng Tuobin said, the stipulation was then further revised.

The final version of the draft amendment reads: "Based on various lines of business and circumstances, the [words indistinct] operation periods of equity joint ventures may be handled differently. Equity joint ventures engaged in a certain line of business shall specify in the contracts their operation periods. While equity joint ventures engaged in another line of business may choose to or not to specify their operation periods [sentence as received]."

"In the case of an equity joint venture with its operation period specified, if the parties to the venture agree to extend the operation period, the venture may send an application to the examining and approving authorities six months before the expiration of the operation period. The examining and approving authorities shall, within one month of receipt of the application, decide to approve or disapprove it."

With common international practice taken into consideration, Zheng noted, this stipulation can further demonstrate China's commitment to its open policy and is conducive to improving the country's investment climate.

It is also conducive to business management since different lines of business are treated differently in accordance with China's actual conditions, the minister said.

Besides, he added, such a stipulation can make foreign investors more concerned about long-term planning and development of their ventures and help enterprises avoid short-sightedness. It is also conducive to importing new technology, increasing investment and opening up the world market.

Taking the revision in Article 12 into consideration, relevant revisions have been made in Article 13. In the draft amendment, the latter article reads: "If there occur heavy losses, failure of a party to perform its obligations under the contract and the articles of association or force majeure, etc., the joint venture may terminate the contract through consultation and agreement by the parties, and subject to approval by the state's competent department of foreign economic relations and trade and to registration with the state's competent department of industry and commerce administration. In cases of losses caused by a breach of contract, the financial responsibility shall be borne by the party that has breached the contract."

The draft amendment has also made some technical changes in the wording of a few articles in the equity joint venture law.

Zheng believed that the revision of the law will better reflect China's open policy and make China more attractive to foreign investors and thus promote the economic development of the country.

The draft amendment, which has been submitted to the current NPC session for deliberation, was deliberated by two meetings of the NPC Standing Committee earlier this year.

#### **Guangdong Governor on Investment**

*OW0204144190 Taipei CHUNG KUO SHIH PAO  
in Chinese 27 Mar 90 p 3*

["Special" dispatch from Beijing on 26 March by reporter Wang Mingyi (3769 6900 5030)]

[Text] In an interview with our reporter at noon on 26 March, Yeh Hsuan-ping [Ye Xuanping], the Chinese Communist Governor of Kuangtung [Guangdong] Province, pointed out that he had met with Wang Yung-ching, chairman of Taiwan's Formosa Plastics Group, in Kuangchou [Guangzhou], several months ago. He disclosed that the discussion at the meeting centered on matters relating to joint ventures. He said: Wang Yung-ching is an experienced and successful industrialist. I am highly confident of the possibility of cooperation between the two sides in the future.

Kuangtung Governor Yeh Hsuan-ping is the son of Yeh Chien-ying [Ye Jianying], a founder and leader of the Chinese Communist "People's Liberation Army." He made those remarks to our reporter during an interview

at noon on 26 March, after attending a meeting of the Kuangtung provincial delegation of the Chinese Communist National People's Congress.

Asked by our reporter for some recommendations to Taiwan businessmen with investment plans, Yeh Hsuan-ping stressed that he sincerely hopes that Taiwan businessmen will invest in projects related to electric power generation, transportation, communications equipment, and other technologies to assist Kuangtung in its drive for economic development.

The following is the content of our reporter's interview with Yeh Hsuan-ping:

[CHUNG KUO SHIH PAO] According to sources, there is a possibility that you may be heading north soon to assume the post of vice premier of the State Council. What is your opinion of this?

[Yeh Hsuan-ping] This is pure rumor. They are speculating on the basis of the Hong Kong news media. Do you mean that these rumors also are circulating in Taiwan?

[CHUNG KUO SHIH PAO] To attract investment by Taiwan businessmen, does Kuangtung Province have any plan to offer them more preferential treatment?

[Yeh Hsuan-ping] In general, we offer better terms to Taiwan businessmen than to other foreign investors. But, owing to varying factors in the investment environment of various locations and the differences in land and labor costs along the coastal regions, Taiwan businessmen should evaluate these factors carefully and make the best choice before proceeding with any specific investment plan.

[CHUNG KUO SHIH PAO] What recommendations would you give Taiwan businessmen planning to invest in the Special Economic Zones along the coast of Kuangtung?

[Yeh Hsuan-ping] I believe that this is something which both parties should consider carefully because it is impossible to proceed with any investment plan with only "one willing party." There must be "two willing parties" to a deal. As for the laws and regulations for administering Taiwan investment and the investment environment, the Chinese Communists will try to offer the best terms to Taiwan companies in a bid to promote tangible cooperation. This is a mutually beneficial relationship which will have a positive impact on Taiwan businessmen as well as on Kuangtung.

[CHUNG KUO SHIH PAO] In your discussion with Wang Yung-ching, did you sign some kind of agreement on a formal cooperation plan or memorandum?

[Yeh Hsuan-ping] I have a very favorable impression of Mr. Wang; however, we did not discuss any cooperation plan in detail. I am highly confident, however, of future cooperation and development across the Strait.

### **Fujian Plans 'Further Opening'**

OW3003090190 Beijing XINHUA in English  
0736 GMT 30 Mar 90

[Text] Beijing, March 30 (XINHUA)—East China's Fujian Province is looking forward to further opening to the outside world in the 1990s, senior Fujian official Chen Guangyi said here today.

Chen, secretary of Fujian Provincial Committee of the Chinese Communist Party and a deputy to the ongoing Third Session of the Seventh National People's Congress, said that as a fundamental state policy, reform and opening to the outside world have been proved indispensable to China's socialist construction, and the current economic rectification has created favorable conditions for the implementation of the policy.

So far Fujian has been fully opened to the outside world and its overseas economic relations and trade are further expanding, he said.

In addition to the Xiamen Special Economic Zone, he said, the province opened the Xinglin and Haicang investment areas last year and new preferential policies have also been worked on to attract investment from Overseas Chinese, foreign businessmen and entrepreneurs from Taiwan.

Since last year, more comprehensive development projects have been approved and more joint investments by businessmen from Hong Kong and Taiwan and Overseas Chinese come to the province, Chen said.

Meanwhile, he said, overseas investments are being guided to conform to local efforts to improve the industrial structure, and more overseas investors are starting large and medium-sized enterprises which are capital- and technology-intensive.

Since China began its open policy in 1979, Chen said, Fujian's economic and social development has exceeded that of the past 30 years. Its gross national product and national income has increased at an annual average of 11.3 percent and 11.7 percent respectively and its per capita national income has increased to rank the 11th from the 20th among the country's provinces.

So far, he said, Fujian has established economic and trade relations with more than 120 countries and regions and approved more than 3,000 overseas-funded firms, including joint ventures, cooperative firms and solely overseas-invested projects. Above 90 percent of the 1,500-odd overseas-funded firms now in operation have made profits, he added.

Chen said that the output value of the overseas-funded firms now account for one-fifth of the provincial output value. Of the overseas-funded projects approved last year, 90 percent are productive and 80 percent are export-oriented. Investment from Taiwan businessmen is increasing, he added.

### **Fujian Deputies Stress Knowledge**

OW0404075990 Beijing XINHUA Domestic Service  
in Chinese 1614 GMT 26 Mar 90

[By reporter Cai Guicun (5591 3802 2625)]

[Text] Beijing, 26 Mar (XINHUA)—The Fujian Delegation to the Third Session of the Seventh National People's Congress [NPC] held the group's third plenary meeting this morning at the place where it is staying. Zhang Zhijian, vice minister of personnel, and Sun Xiaoyu, deputy director of the Taiwan Affairs Office under the State Council, attended the meeting to hear what the deputies had to say.

It was one meeting of the delegation in which the deputies were most eager to speak up. Their animated discussions revolved around such topics as knowledge, talented people, and policy. Huang Jinling, NPC Deputy and President of Fuzhou University, said: Nowadays it is very difficult for a school to ask a graduate to stay on to work in the school. The reason has something to do with the personnel system and the main problem is that the salary is too low. One graduate student who refused to stay on remarked that he did not see what good there was in staying, that he did not know how long it would be before he could get promoted to the position of associate professor and of professor. Chen Juewan, NPC Deputy and Vice President of Huaqiao [Overseas Chinese] University, said: A music teacher can receive only about 10 to 20 yuan as remuneration for a song he has worked his heart out to compose. However, when that song is sung by someone else, that person can earn several hundred and even a thousand yuan.

"One factor contributing to instability at present is unfair distribution." This is the opinion expressed by Li Wenren, NPC deputy and cardiovascular specialist; Chen Riliang, NPC deputy and vice principal of Fuzhou No. 1 Middle School; and Li Jingxi, NPC deputy and professor of Xiamen University's Law Department, when they spoke their views on wage and position title in light of the reality.

Speaking about the issue of a "work age," the deputies were unanimous in their opinion that there is no room for uniformity here. NPC Deputies Lin Lanying and Yu Baosheng said: It is unscientific to enforce uniformity in the area of a work age. They suggested that a "work age" may be appropriately extended for both male and female workers in scientific research units which are either faced with the problem of finding enough new blood or are experiencing a temporary personnel shortage.

Zou Erjun, NPC deputy and mayor of Xiamen City, and Zheng Lin, NPC deputy and secretary of the Longyan Prefectural Party Committee, offered many ideas and proposals on how to do a better job in the work on Taiwan.

Vice Minister of Personnel Zhang Zhijian gave a briefing to the deputies. He said: The party and government attach great importance to knowledge and are concerned

about talented people. Because of the fact that the state's financial resources are limited and that there are also problems remaining from history, current wages are not only low but also not completely reasonable. However, these problems only can be solved step by step. To allow wages to become reasonable gradually, not only should the basic pay be raised but also a system granting normal promotions should be established. We need to adopt the method of "small strides at a quick pace." In addition, we can establish wages for nonleadership positions for specialists who, although not leaders, can earn a salary that is even higher than that to which a leader is entitled. To gradually make the situation reasonable, government offices should be separated from institutions in the future. An initial plan for this has already been worked out.

He also talked about the projected reform of the methods of position evaluation, personnel hiring, and the issue of a retirement age. He said: Current job evaluations are both confused and excessive. There must be a reform to separate evaluation from hiring and replace evaluation with examination.

Sun Xiaoyu, Deputy Director of the State Council's Taiwan Affairs Office, answered questions about the work on Taiwan.

### Weihai Mayor on Foreign Investors

OW0304084390 Beijing XINHUA in English  
0757 GMT 3 Apr 90

[Text] Beijing, April 3 (XINHUA)—The open policy has led a growing number of foreign investors to Weihai on China's east coast and brought the small naval fortress out of long-time isolation.

Li Wenquan, mayor of Weihai and deputy to the National People's Congress (NPC), told XINHUA here today that Weihai attracted a record amount of foreign investment last year.

According to local statistics, last year the number of foreign-funded projects grew by 30.8 percent and the contracted volume of foreign investment rose by 44.6 percent over 1988, while 100 ventures involving direct foreign investment have already been established there.

Li said, last year the city purchased over one billion yuan worth of goods for export, a record in history, and the proportion of manufactured goods account for 80 percent of all its exports now.

Situated on the tip of the Shandong peninsula on the Yellow Sea, Weihai boasts the shortest shipping routes to the Japanese islands and the Korean peninsula from China.

Until 1987, when it was made an open city, military secrecy had shrouded the quiet coastal fortress, where the imperial navy of the Qing Dynasty was founded and

later ruined by a Japanese fleet in a disastrous naval battle between the two countries at the end of the 19th century.

This year, Li said, Weihai will further expand its economic cooperation with foreign countries. He encouraged foreign businesses to open joint ventures or wholly owned enterprises in the city's high-tech industrial development zone now still under construction.

According to Li, the city plans to concentrate the development of the 0.7-square-kilometer zone now available on such high-tech industries as new materials, bio-engineering, aeronautics, machinery and electronics.

Li Wenquan promised more preferential treatment to investors in the development zone, saying that many foreign businesses have already made fact-finding trips there and signed agreements on investment.

The mayor said that his city has given priority to channelling foreign investment to existing enterprises there, which proves to be more cost effective since the Chinese partners' existing capital assets and equipment are already available.

Fixed assets in Weihai's industrial enterprises now total two billion yuan, Li noted, and of the 28 new joint ventures approved there last year 80 percent were set up with existing Chinese enterprises.

Other potential partners for foreign investors are the 100,000 rural enterprises in the city, many of which now boast updated technology and capacity to produce goods for the world market thanks to industrial readjustment in the past few years.

Of the 100 or so foreign-invested ventures in Weihai, Li said, one third were set up by rural enterprises with their foreign partners.

According to Li, most foreign-invested firms already in operation in the city have reported satisfactory economic returns.

He said that Weihai has invested 40 million yuan in the past two years in its infrastructural facilities, including a 6,000-unit program-controlled telephone system, deep-water berths in its port, an express highway along the coast, a railway linking the city with Yantai, and a power plant with a generating capacity of 600,000 kilowatts.

In addition, Li added, the city government has concentrated its effort on cutting red tape, simplifying the procedures for approving joint venture projects and perfecting its legal instruments in a bid to create a better investment climate for foreign investors and expand its foreign economic cooperation.

To demonstrate his point, the mayor said that several trade and foreign business administrations in the city have been combined to approve foreign-invested projects, bringing the period of approval down to only a week in one case.



### Commentary Views Sessions

OW0404052490 Beijing XINHUA Domestic Service  
in Chinese 1334 GMT 03 Apr 90

["Commentary" by XINHUA reporters Wu Shishen (0702 1102 3234), Xu Jiangshan (1776 3068 0810), and Ji Bin (1213 2430): "They Embody the People's Confidence and Strength"]

[Text] Beijing, 3 Apr (XINHUA)—While recalling the extraordinary events of 1989, people at home and abroad have been focusing their attention on the two meetings—the sessions of the Seventh National People's Congress [NPC] and the National Committee of the Chinese People's Political Consultative Conference [CPPCC]—which have been in progress in the first year of the 1990's. They hope that, through these two "windows," they can get an idea of the political and economic trends in China as well as of the feelings of the people.

People do so because during the last year of the 1980's the Chinese people went through a soul-stirring struggle and a severe test which was unusual in the history of the people's republic. As they succeeded in surmounting one difficulty after another and won great victory, they came face to face with new challenges and new tests. In an environment of "external pressures and internal problems," China has stepped onto a stage where extra efforts must be made in order to carry on with the endeavor to improve the economic environment, rectify the economic order, and deepen reform. The external pressures can be felt without further explanation; and the internal problems can be observed from the weak market sales, the sharp drop in industrial growth, and from other new problems as well as the deeply-rooted problems that have remained unresolved over the years.

That is why some people living abroad assert that China is bogged down by serious, incurable economic problems.

Is this a correct observation? The representatives of the 1.1 billion Chinese people are most qualified to comment on this.

Deputy Shen Zulun [Zhejiang Governor] said: "The road bogged down by difficulties has been reopened, and hopes for success are in sight. We are fully confident about our success." This is also the understanding shared by the several thousand NPC deputies and CPPCC members.

Their "hopes" are not illusory; they are solidly based on facts that can be observed in various parts of the country: After last year's hard work and struggle, the Chinese people have won great, historic victories on the political, economic, and ideological fronts. They have consolidated and developed the socialist bastion and gained precious experience significant for the steady development of socialist modernization in China. The people's awareness has also become more unanimous, and their strides in building a Chinese-style socialist society have become firmer than ever before.

The feeling genuinely shared by the NPC deputies and CPPCC members is: Although they have been expressing their views at the two meetings as they did before, this time "they feel a lot better, their views better reflect a consensus, and they feel a lot more energetic." Their sense of responsibility is also higher, as demonstrated by their readiness to give the party and the state constructive advice and share their problems.

This year more than 200 journalists—more than in any year in the past—have come from Hong Kong, Taiwan, and foreign countries to cover the two meetings. As before, they have been busily engaged in gathering news inside and outside the meetings, but this time they have expressed less dissatisfaction or complaints. This shows China's political, economic, and social stability and the cool-headedness and self-confidence of the Chinese people amid a changeable world climate. Some people describe the atmosphere of the two meetings as "harmonious as that created by musical instruments," adding that the atmosphere is filled with a "spirit of seeking truth." True, the NPC deputies and CPPCC members "have in their minds the overall situation and good ideas," that they are ready to "say things that are not to be taken lightly," and that their "proposals are constructive" and their minds are set on "analyzing problems cool-headedly and calmly and resolving problems earnestly."

While deliberating on the government work report, the NPC deputies and CPPCC members universally maintain that the report has the courage to tell the people the truth and convey to them both the good and the bad news as well as the measures that will be taken to deal with problems. Some deputies say that the achievements and experiences reported in the report are based on facts, that the problems and difficulties it reports are exactly as they are at present, and that the plans and assignments for the year have been drawn up clearly. They add that this shows that the party and the government have the confidence and ability to lead the nation to combat difficulties.

Meanwhile, instead of complaining, the NPC deputies and CPPCC members have been studying various ways to solve the problems caused by the weak market. And they have reached a common understanding: The weak market shows the periodic "negative effects" which appear during the course of controlling overheated economic growth and excessive demands; they are a temporary problem that crop up as progress is made. Analyzing the issue from a theoretical angle, the economic experts among the NPC deputies maintain that the weak market should prompt us to be more aware of the need to find a new way to combine economic planning with market regulation and create external pressure and opportunities for restructuring production patterns and product mix and deepening enterprise reform. With business bearing the brunt of the impact of the weak market, Zhang Xingwang, Geng Shaojie, and other outstanding entrepreneurs in the country, instead of becoming panic-stricken, have dealt with problems with the tactics of

"looking inward, restructuring business, and tapping potential." After careful thinking, NPC Deputy Liu Sibai from Sichuan has come up with "10 ways to deal with the weak market," and his scheme has been deemed "operative." The conclusion has been drawn that "difficulties are surmountable, and negative or pessimistic feelings are completely unnecessary" so long as there is proper macroscopic regulation and control, comprehensive measures are taken to enliven the market, and the economy is reinvigorated with all sorts of measures. NPC Deputy Ma Hong, a noted economist, also predicted optimistically: The weak market will change in a few months. This is because the series of remedial measures taken by the state will produce "positive effects." Discussing with other NPC deputies how to combat difficulties, Zou Jiahua, state councillor and minister in charge of the State Planning Commission, says that "every effort should be made to activate the market and energize the four markets, namely, the capital construction, consumption, export, and tourism markets. This view coincides with the remedial measures put forth by other NPC deputies and CPPCC members.

Confidence and hope have become stronger with the exercise of reason, and have been strengthened by the success that has been achieved. The key now lies in "arousing the thousands upon thousands of people." These days people can hear this strong voice of the era reverberate in the Great Hall of the People and in the delegations' quarters: Display a higher spirit and face the challenge!

Raising his head from deep thought, NPC Deputy and Shanghai Mayor Zhu Rongji has come up with a solution: Pay special attention to improving party conduct and promoting government honesty and cleanliness. He says that as far as Shanghai is concerned, this year is a year for improving party conduct and promoting government honesty and cleanliness. Shanghai, the first city to sing "The Song of Honest Cadres and Government," has now expanded efforts to promote honest and clean government among "departmental and bureau cadres" to leaders of all enterprises and institutions. NPC Deputy Jiang Chunyun, secretary of the party committee of Shandong, a province with glorious revolutionary traditions, says that it is necessary to reinstate the "style of the veterans of the Eighth Route Army" and reestablish the "flesh-and-blood relations" between cadres and the masses. In the great land of Shandong, nearly 30,000 cadres work in villages, enterprises, and other grassroots units to provide useful services to the people.

This earnestness is shared by deputies who hold leading offices as well as deputies from grassroots units. NPC Deputy Shen Guan, the 12th head of the oil drilling team of Daqing Oilfield—a team to which the late Ironman Wang Jinxi belonged—has become "restless." He says: We workers of the Daqing Oilfield expect our cadres to be role models of "honesty, dedication, fair play, and hard work. Now our country has difficulties, and we workers should display the same drive as our former head and produce more and better oil for the state!

Deputy Yang Jinli, who represents the peasants of Anhui's Fengyang, the first county to adopt the "all-round contract system," has only one wish. He says: Since we no longer have to worry about a policy change, we will work hard with our folks to produce more grain for the state this year.

"This first spring of the 1990's is encouraging and exciting. Now the cold winter is over and the ice has thawed, and the people on this luxuriant great land have awakened." These are the lyrics of a poem written by Deputy Guan Shanyue, an old artist. Deputy Li Ruihuan has been deeply moved by this poem. He says that since we have built up a centripetal and cohesive force, we will be an invincible, formidable force. Commenting on this observation, many NPC deputies and CPPCC members say: The centripetal and cohesive force is the result of the correct line, principles, and policies embodying the people's common interests. Actual experience proves that the basic line characterized by "one center and two basic points" is in line with the popular feeling. The government work report upholds this line. As long as cadres at all levels earnestly fulfil the requirements set forth in the government work report and achieve actual results beneficial to the country and the people, they certainly will be able to rally the strength of the hundreds of millions of people and surmount all obstacles—even the greatest of them.

Deputy Jiang Zemin, secretary of the CPC Central Committee, says that "we should have the spirit" of "winning victory by surmounting all difficulties." At a group discussion, he sang the song "The Five-Star Flag Is Fluttering in the Wind....[ellipses as printed]" This spiritual song which encourages people to aim high and kindles the national spirit of the Chinese people, stirred the hearts of NPC deputies and CPPCC members when the general secretary sang it.

"Millions with but one heart....march on." As the PRC National Anthem echoed in the Great Hall of the People, 66-year-old NPC Deputy An Yifu said that the national anthem today is particularly spiritual and magnificent. This is because the people's republic, after going through a severe test and dusting off the dirt on its body, is advancing on the broad avenue toward socialist modernization with steadier and firmer steps.

### **Jiang, Li Peng Attend Policy Consultancy Forum**

*OW1204171390 Beijing Television Service in Mandarin  
1100 GMT 12 Apr 90*

[From the "National News Hookup" Program]

[Text] [Video opens with Jiang Zemin followed by Li Peng and Yao Yilin walking into an open field and starting to shake hands with the front row of participants of the national conference on policy counselling, and then cuts to a medium shot of Li Peng speaking in front of a microphone with Jiang Zemin and Yao Yilin in the background. When Li Peng finishes his speech, the video cuts to a medium shot of Jiang Zemin speaking in front

of the microphone with Li Peng, Yao Yilin, and their entourage in the background.]

[Announcer] This morning, Jiang Zemin, Li Peng, Yao Yilin and other comrades received, at Zhongnanhai, the representatives of the national conference on the work of policy counselling. Li Peng said:

[Begin recording] [Li Peng] To persistently open to the outside world, and further improve the economic environment and rectify economic order, we welcome proposals from many people. I would like to stress two points: The first point is to explore a specific way to develop a planned economy while carrying out market regulation. The second point is to improve further the economic environment, rectify economic order, and deepen reform. Particularly, we must maintain an appropriate speed in developing our economy at present, carry out structural readjustment, and raise our work efficiency. It is hoped that you comrades will concentrate your efforts in this connection. The governments in various localities must attach importance to the work of seeking advice. Prior to the implementation of a major policy decision, they must extensively listen to views from all quarters. Particularly, they should listen to different views and combat the unhealthy work style of implementing any policy decision in a hurry, as they displayed in the past. Only by taking the opinions of all sectors of life into consideration can they find a good policy decision that conforms with reality as well as objective economic laws. [applause]

[Jiang Zemin]: I completely agree with what Comrade Li Peng said. [end recording]

[Announcer] Jiang Zemin said: In doing the work of seeking advice, we must combine qualitative analysis with quantitative analysis. Particular efforts must be made in carrying out quantitative analysis.

### **Li Peng, Others Meet National Meeting Delegates**

OW1204163690 Beijing XINHUA in English  
1603 GMT 12 Apr 90

[Text] Beijing, April 12 (XINHUA)—Chinese party and Government leaders Jiang Zemin, Li Peng, Yao Yilin, Ding Guan'gen and Zou Jiahua today met delegates to ongoing national meetings on policy consultancy and key construction work. Meeting delegates to the policy consultancy meeting, Jiang Zemin, general secretary of the Chinese Communist Party Central Committee, said he was happy to see so many young people attending the meeting, and urged them to make more efforts in quantitative analysis in their work.

Premier of the State Council Li Peng told the delegates that policy consultancy work should focus on probing how to combine the planned economy and market regulation and carry on the economic rectification and deepening of the reform. Greater efforts should be made to maintain an appropriate economic development, adjust structures and improve efficiency, he noted.

He urged government departments at all levels to pay full attention to policy consultancy work and solicit wide opinions and suggestions from policy consultancy institutions before making important policy decisions.

Meeting representatives to the national meeting on key construction work, Jiang Zemin said that in the national economic construction key projects have played an important role. In future, it will still be an important principle to do a good job in key construction.

Premier Li Peng said the party and government have always attached great importance to key construction work, and great achievements have been scored in this respect in the past four decades and more.

He urged more efficiency in the construction of key projects.

### **Leaders Attend Opening of Party Building Seminar**

#### **Education Stressed**

OW1204164590 Beijing XINHUA in English  
1613 GMT 12 Apr 90

[Text] Beijing, April 12 (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Communist Party of China (CPC), today urged the whole party and the whole of society to show concern for education.

Education in patriotism, modern history and China's real conditions should be conducted among college students so as to arouse the enthusiasm of young people and intellectuals. Jiang told a national seminar on party building at the institutions of higher learning, which opened today at Zhongnanhai, headquarters of the CPC.

In a meeting with participants prior to the seminar, Premier Li Peng called on all Chinese universities to rally around the party Central Committee with Jiang Zemin as the nucleus, adhere to the four cardinal principles, strengthen political and ideological work and do a good job in all aspects.

Song Ping, a member of the Standing Committee of the Political Bureau of the CPC Central Committee, said universities should enhance party building and improve the leadership of the party committees.

Minister of the State Education Commission Li Tieying said the leading position of the Chinese Communist Party should be firmly entrenched so that universities in China can function as socialist universities with Chinese characteristics.

Party leadership at institutions of higher learning covers three aspects: political, ideological and organizational, Li noted.

He said that nearly half of the teaching staff at universities and colleges are party members. They should be



aware of their political responsibility, play an exemplary role and guide students toward a correct political orientation, he stressed.

The seminar was jointly organized by the Organization and Propaganda Departments of the CPC Central Committee and the party leading group of the State Education Commission. Party committee secretaries from more than 100 universities attended.

### **Li Tieying Speaks on College Work:**

HK1204141490 Beijing XINHUA Domestic Service  
in Chinese 1028 GMT 12 Apr 90

[Report: "Li Tieying Reports at Conference on Party-Building Work in Institutions of Higher Learning"]

[Text] Beijing, 12 April (XINHUA)—The Conference on Party-Building Work in Institutions of Higher Learning was convened in Beijing today. Li Tieying, member of the Political Bureau of the CPC Central Committee and concurrently state councillor and Minister of State Education Commission, made an important report at today's opening ceremony. Li Tieying emphatically pointed out that in order to successfully run socialist institutions of higher learning, it is necessary to strengthen the leading position of the CPC in various institutions of higher learning.

In his report entitled "Strengthen Party-Building Work in Institutions of Higher Learning and Train Successors to Socialist Cause," Li Tieying pointed out that adhering to the CPC leadership and strengthening the party-building work in various institutions of higher learning is a fundamental guarantee for successfully running the socialist colleges with Chinese characteristics. He said that a fundamental task of the socialist institutions of higher learning is to train builders of and successors to the socialist cause. In order to accomplish this task, it is necessary to strengthen the party-building work and the ideological and political work in various institutions of higher learning across the country. All the institutions of higher learning across the country should become strong bastions aimed at supporting the CPC leadership and the socialist system and opposing bourgeois liberalization and "peaceful evolution," become strong fronts aimed at publicizing Marxism and building the socialist spiritual civilization, and become an important force capable of safeguarding the current political situation of stability and unity and maintaining social stability in China. Only by strengthening the CPC leadership and closely rallying the broad masses of the teachers and students around the CPC will it be possible to resolutely resist the corrosive influence of bourgeois liberalization and safeguard the political situation of stability and unity.

Li Tieying said that greater efforts must be made to adhere to the leading position of the CPC and step up the building of the CPC leading bodies in various institutions of higher learning so as to ensure that the real power in various institutions of higher learning is always in the hands of those loyal to Marxism. Li Tieying

pointed out that the CPC leadership in various institutions of higher learning can be divided into political leadership, ideological leadership, and organizational leadership. Such leadership should not only be embodied in the correct line, principles, and policies formulated by the CPC Central Committee, especially in the CPC Central Committee's major decisions concerning education development and reform, but should also be realized by strengthening the CPC leading bodies in various institutions of higher learning, giving full scope to the role played by the CPC committees in various institutions of higher learning, and enabling the CPC branches in various institutions of higher learning to act as fighting bastions and the CPC members in various institutions of higher learning to play an exemplary role.

Li Tieying said that implementing the college president responsibility system under the leadership of the CPC committee in various institutions of higher learning fully accords with the realities in China. At present, a number of institutions of higher learning in China have already implemented the college president responsibility system on a trial basis. In the future, more institutions of higher learning in China will implement the system on a trial basis. It has been agreed in principle that all institutions of higher learning in China should implement the college president responsibility system under the leadership of the CPC committee in the future. After implementing the college president responsibility system under the leadership of the CPC committee, the CPC committees will remain the core of leadership in various institutions of higher learning. The CPC committees in various institutions of higher learning must concentrate their efforts on studying major questions concerning college work and on strengthening the party-building work and the ideological and political work. The CPC committees in various institutions of higher learning must further improve their work systems and work methods, must not take charge of all the administrative work in colleges, and must support administrative leaders in colleges to independently carry out their work, this being a higher demand on the work of the CPC committees in various institutions of higher learning under the new historical conditions. Li Tieying pointed out that the key to successfully running socialist institutions of higher learning lies in the building of competent leading bodies in various institutions of higher learning. Practice and experiences over the past many years have shown that leading bodies in various institutions of higher learning must be strong leading collectives which are politically competent; have a relatively higher Marxist theoretical standard; are capable of steadfastly implementing the CPC's line, principles, and policies; are good at doing ideological and political work; and have a good grasp of the law governing the college work and a rational organizational structure, as well as being capable of uniting, cooperating, and forging closer ties with the masses. In setting up leading bodies in various institutions of higher learning, priority must be given to revolutionization. To this end, it is necessary to promote those comrades who have successfully withstood the test of a series of political

struggles and are both politically and professionally competent to various leading posts in various institutions of higher learning on the basis of a comprehensive appraisal of all the cadres. Redoubled efforts must also be made to practically strengthen the ideological and style building of the leading bodies in various institutions of higher learning. Without understanding and grasping the basic theories of Marxism, it would be impossible for members of the leading bodies in various institutions of higher learning to successfully run the socialist institutions of higher learning. Moreover, efforts must also be made to build a reserve contingent of politically and professionally qualified cadres. In selecting reserve cadres, it is first of all necessary to take into account the political stand, political tendency, and ideological and ethical qualities of cadres, especially the cadres' performances during major political struggles.

Li Tieying pointed out that it is necessary to build a backbone force in various institutions of higher learning and enable this backbone force to play a dominant role in the running of the socialist institutions of higher learning. At present, nearly half of the teaching staff in various institutions of higher learning are CPC members. The proportion of CPC members among professors and associate professors is even larger. This is definitely an advantage. Each and every CPC-member teacher, especially each and every CPC-member professor and associate professor, in various institutions of higher learning must fully understand his own political duty and must endeavor to lead and unite the broad masses of teachers to improve their teaching and guide their students to follow a correct political orientation. Although the proportion of CPC members is still small among the college students, the student CPC members must become the core of college students. The cadres in charge of the CPC affairs in various institutions of higher learning are the backbone of the backbone force in various institutions of higher learning. Therefore, it is necessary to continue to make greater efforts for decades to come to build a well qualified and competent contingent of both full-time and part-time cadres in charge of the CPC affairs in various institutions of higher learning with the full-time cadres forming the backbone in this regard.

Li Tieying said that, to construct well this backbone force, we must give priority to the improvement of political quality. Ideological education for cadres at institutes of higher learning must be strengthened. At the same time conditions must be created for them to participate in the practice of the construction of socialist material and spiritual civilizations, and to improve their talent through participation in production labor, reform, understanding the national situation and familiarizing themselves with agriculture and industries. At the same time, we must give full play to the functions of grassroots organizations, especially party branches. The reason our party is strong is not only that we have a correct Marxist line, but also a tight organization. At many institutes of higher learning the construction of party branches is a

weak area. Organizational lives in some party branches are not healthy. Education, administration, and supervision of party members are absent, so cadres have no combat power at critical times. This problem must be resolved in a serious manner.

Li Tieying also pointed out that we must practically strengthen the leadership and guidance of local party committees and the relevant leading party groups of State Council ministers and committees over the party work at higher learning institutes. He said, judging from the practical situations in our country, whether a higher learning institute is run well or not is intimately related to the economy, politics, ideology, and culture of a society. Institutes of higher learning are not Shangri-la. The major social climate will always affect minor climates in higher learning institutes, and the latter will in turn affect the former. Party work at higher learning institutes is related to localities, so local party committees must strengthen leadership over the party work at higher learning institutes. Leading party groups at ministers and committees must closely coordinate with local party committees, administering not only general affairs, but also ideological and political work, the examination and training of leading cadres at schools and, when there are important issues, actively assisting local party committees to get the work done.

He pointed out that one of the very important things in strengthening the leadership of local party committees and leading party groups of ministers and committees over higher learning institutes, is that chief leaders must be personally involved. We have a fine tradition, which is that party and state leaders, provincial party committee secretaries and ministers often visit schools and make reports, talk about situations, and contact teachers and students. This tradition must continue to develop and be gradually developed into a system.

The meeting was jointly called by the Organization and Propaganda Departments of the Central Committee, and the leading party group of the State Education Commission. Lu Feng, He Dongchang, Liu Zhongde, Li Yan, and other people attended today's opening ceremony. The responsible persons in-charge of educational work of various provinces, autonomous regions, municipalities, secretaries of the party committees of hundreds of higher learning institutes, and the responsible comrades of the organization, propaganda, and education departments of various localities attended the meeting.

#### **Li Ruihuan Speaks at XINHUA Domestic Meeting**

*HK1204103090 Beijing XINHUA Domestic Service in Chinese 1330 GMT 11 Apr 90*

[Report: "At a Xinhua Domestic Work Conference, Li Ruihuan Hopes that Press Workers Will Play Their Role in Publicizing and Implementing the Decision of the Sixth Plenary Session of the CPC Central Committee"]

[Text] Beijing, 11 Apr (XINHUA)—Today, at a Xinhua domestic work conference, Li Ruihuan, Standing Committee member of the Political Bureau of the CPC Central Committee, delivered a lengthy speech on a number of questions in publicizing and implementing the decision of the Sixth Plenary Session of the 13th CPC Central Committee. He pointed out: Publicizing and implementing the decision of the Sixth Plenary Session of the CPC Central Committee is an important subject in the present domestic political life. The press workers shoulder an important duty in this aspect and can and should give play to their important role. Through the press propaganda work, it is necessary to help the cadres profoundly understand the important significance of the decision of the Sixth Plenary Session of the CPC Central Committee, to lead them to concentrate their attention on the implementation of the decision, and to make efforts to reflect the achievements of the whole party in summing up experiences and deepening understanding in the course of carrying out the decision.

The conference was held in the west hall of the Great Hall of the People this morning. Attending the conference were Ding Guangen, alternate member of the Political Bureau of the CPC Central Committee and member of the Secretariat; Wang Renzhi, director of the Propaganda Department of the CPC Central Committee; and responsible persons of the propaganda and press units in the capital, including Zhu Muzhi, Xu Weicheng, Ai Zhisheng, Shao Huaze, and You Lin. Mu Qing, president of XINHUA News Agency, presided over the conference.

Li Ruihuan's speech is divided into three parts: 1) Fully understanding the important significance of keeping close ties with the masses; 2) seriously carrying out all demands put forward by the decision of the Sixth Plenary Session of the CPC Central Committee; 3) unremittingly summing up the experiences in building socialism with Chinese characteristics.

Li Ruihuan said that the Sixth Plenary Session of the 13th CPC Central Committee recently adopted the "decision on strengthening the links between the party and the masses" and this was a major event. In his speech at the closing ceremony of the Plenary Session, Comrade Jiang Zemin emphasized the implementation of the decision. Our ideological and propaganda fronts must act on the basis of this spirit.

Li Ruihuan said that the four cardinal principles were the important component part of the basic line of our party as well as our foundation for founding our country. Practice proves that when the four cardinal principles are adhered to, China can be stable and united and have prospects; if we deviate from the four cardinal principles, China will become chaotic and split and will be bogged down in calamities. The four cardinal principles reflect the basic interests and common desire of the people of China in a concentrated way. Trusting and relying on the people and enjoying their support is the

most solid foundation stone of the four cardinal principles. From this it can be seen that the four cardinal principles are our greatest political superiority and political superiority is the superiority that the masses support. From this it can be seen that to adhere to the four cardinal principles, it is essential to adhere to the mass line, to fully trust and rely on the masses, to carefully study the interests of the masses in all aspects of work and all links, to understand the demands of the masses, to listen to the voice of the masses, to look into the feelings of the masses, to arouse the enthusiasm of the masses, and to teach and lead the masses' advance.

Li Ruihuan pointed out that in the recent period, the central authorities repeatedly stressed stability and clearly and definitely pointed out that without stability, there was nothing and stability was an overwhelming overall situation. Political stability, economic stability, and social stability is, in the final analysis, determined by the stability of the masses and the stability of public feeling. With the stability of the masses and the stability of popular feeling, it is easy to make a solution; without the stability of the masses and the stability of popular feeling, political, economic, and social stability cannot be consolidated. To straighten out the feelings of the masses and stabilize popular feeling, the most fundamental thing is to seriously implement the decision of the Sixth Plenary Session of the CPC Central Committee and to keep close links between the party and the masses. Only by doing so can the masses' confidence in the party be enhanced so as to build stability on the foundation that the party shares weal and woe with the masses. Such stability is unbreakable and can withstand any stormy test.

Li Ruihuan said: Over the past year, comparatively marked achievements have been scored in the improvement of the economic environment, rectification of economic order, and deepening of reform but there are still many problems. To overcome difficulties and accomplish the tasks, Comrade Li Peng put forward a series of important principles, policies, and measures in this year's government work report and it is imperative to seriously implement them. Whether or not these principles, policies, and measures can be really implemented and play their necessary role must, in the final analysis, rely on the masses, their enthusiasm, and the workers' spirit as masters of their own affairs. With the enthusiasm of the masses, all decisions and methods put forward by our leaders can be turned in the masses' conscious actions and fruits can be achieved. With the enthusiasm of the masses, we can give more ideas and methods and put forward various rational suggestions in production, technology, management, operation, and ideological and political work. With the enthusiasm of the masses, we can make allowances for the difficulties that involve the personal interests of the masses and that cannot be resolved at the moment and share worries with the country and enterprises, questions can be mitigated, and big questions can become small questions. Conversely, if the masses have no enthusiasm, the decisions,



however many and however good they may be, can not be easily realized. If the masses do not make allowances, small questions will become big questions. We cannot, therefore, solve the economic question merely for economy's sake and see only material factors to the neglect of human ones but must see the questions politically and see the questions from the angle of the people's enthusiasm. That is to say, we must always think of the masses, closely rely on the masses, respect the masses' status as masters of their own affairs, and begin solving the questions from here. To study the situation, it is necessary to regard the feelings of the masses as the first signal; to adopt measures, it is essential to regard relying on the masses as the main measures; to define tasks, it is imperative to listen to the views and demands of the masses.

Li Ruihuan pointed out: The matter concerning the relations between the ruling group and the masses has different contents in different eras, different societies, and different classes. However, in whatever era and whatever society, this matter has a bearing on whether the country is peaceful and the nation is prosperous or the country is chaotic and the nation perishes. The promising clear-headed statesmen and thinkers in the past eras especially attached great importance to this matter. The forefathers of China said: "The people are more important than the ruler"; "the people are the foundation of the state and when the foundation is consolidated, the state is peaceful"; "the people are like water and the water can float a boat and can also capsize a boat," and so on. These important political ideas, that have almost become maxims, are very valuable and are the outstanding heritage of Chinese culture and we must inherit and foster them on the new class foundation. A proletarian political party and the Marxist revolutionaries are basically different from the statesmen in the past eras. They believe that the masses are the creators of history, respect the historical initiative and creative spirit of the masses, and rely on the masses to carry out revolutionary struggle. The CPC members with Mao Zedong as the representative are very creative and therefore, display special luster. Based on the Marxist materialist conception of history and encouraged by the example of Lenin, Mao Zedong and his comrades-in-arms gradually established the workstyle of doing everything for the people, relying on the people in everything, and coming from and going to the masses in the course of struggle and created a complete set of theory and method with regard to the mass line. This is the summation of the matchless and valuable experiences of our party in carrying on the revolutionary activities in the protracted hard environment where there was a great disparity in strength between the enemy and ourselves. After the Third Plenary Session of the 11th CPC Central Committee, our party reestablished the practical and realistic ideological line and corrected the mistake of taking the class struggle as the key link in the period of socialist construction and this was a basic aspect in eliminating the distortion of the mass line. Our party has decided to shift the focus of work to economic

construction; formed a new line of "one center, two basic points;" fundamentally embodied the interests, desires, and demands of the people; and enjoyed the people's support. Over the past 10 years, we have been able to win great victory and to open up a new situation in socialist modernization construction, reform, and opening up and one of the important reasons is that we have inherited and carried forward the excellent traditions of the mass line formulated by the Seventh and Eighth CPC National Congresses. An important reason for the mistakes made in our work and for the various passive and corrupt phenomena emerging in our party is the generation and development of the various factors that hinder us from keeping ties with the masses and relying on the masses under the new historical conditions and the lack of clear-headed, vigilant, and effective struggle. The decision of the Sixth Plenary Session of the CPC Central Committee is aimed at the current questions, sums up the historical experiences, regards whether or not the flesh-and-blood relations with the people can be maintained and developed from start to finish as a question that has a direct bearing on the rise and fall of the party and state and submits this question in the face of the whole party and this is completely correct and extremely important. The far-reaching significance of the decision of the Sixth Plenary Session of the CPC Central Committee lies here.

While dwelling on the serious fulfillment of all demands put forward by the decision of the Sixth Plenary Session of the CPC Central Committee, Li Ruihuan said that the decision of the Sixth Plenary Session of the CPC Central Committee enjoyed the warm support of the whole party and the people of the whole country. The people earnestly expect that this decision can be really implemented and at the same time, they are worried whether or not it will be like a gust of wind and work will be done perfunctorily or superficially. There is some basis for these worries. For many years, some of our work has not been done well due to incorrect thinking, impractical ideas, and more to imperfect style of work and failing to work in a down-to-earth manner. We must see that if is merely empty talk, if what has been decided is not carried out, and if it is only alleged that close ties must be kept with the masses, the result turns out that we are divorced from the masses even more and that if it is only alleged that the masses' confidence must be strengthened, the result turns out that the masses' confidence is dampened even more. We must, therefore, put in great energy to vehemently implement the decision. The things, that are disadvantageous to and even hinder the ties between the party and the masses, that are disadvantageous to the masses' supervision and to the people acting as masters of their own affairs, and that even hinder the masses' supervision and the masses from acting as masters of their own affairs, can be gradually resolved only through deepening reform of the economic and political structures and pushing forward the building of socialist democratic politics, legal system, and all forms of supervisory system. To carry out the decision, it

is also necessary to make great efforts to conduct reeducation for the ranks of cadres in the Marxist mass viewpoint and the party's mass line, to advocate that while transforming the objective world we must consciously transform our subjective world, to establish a firm mass viewpoint, and to learn the basic skill of taking the mass line. It is only by doing so that maintaining close ties between the cadres and the masses can be formed into a conscious action, a custom, a common practice, and a system and there is a reliable guarantee of the implementation of the decision.

Li Ruihuan said, there are thousands of things to do in implementing the decision, where should we proceed? We should proceed from doing something practical. Doing something practical for the masses is a breakthrough point for implementing the decision and also a fundamental method for the party to strengthen its ties with them. With one heart and one soul, we should persist in doing something practical for the masses sincerely. We should wholeheartedly do something practical for the masses; halfheartedness will not do, having two minds will not do, let alone doing it hypocritically. It is necessary to foster a solid mass concept, to always remember the masses, to bear their feelings in mind, to give priority to their interests and wishes, to consider their needs, and to meet their demands. We should wholeheartedly do something practical for the masses; we should not do it casually or perfunctorily, still less should we shirk before difficulties. By wholeheartedly, we mean that cadres should make the greatest subjective efforts; they should not waver when there are unpleasant comments, they should not be intimidated by difficulties, but instead they should tackle difficulties head on. They should do their utmost instead of exhausting the country's resources. The settlement of some problems requires money, but the settlement of other problems does not require money. As long as we really take effective measures, do our utmost, and persevere in it, the masses will understand us. Justice lies in the hearts of the people.

Li Ruihuan pointed out, the decision of the sixth plenary session covers seven tasks. All these tasks are important and should be fulfilled in an all-round way. Therefore all regions and departments are required to strengthen their organizational leadership over and make overall arrangements for the fulfilment of these tasks in a planned way and step by step, taking account of their local conditions and giving priority to what is urgent. They are required to produce practical results. In the course of sending cadres to the grass-roots level, all leading organs should at the same time do a good job in building themselves so that they will be able to genuinely serve the grass-roots level, production, and the masses. Generally speaking, leaders should go to where difficulties are and help solve difficulties there; they should go to where complaints have cropped up among the masses and help them straighten out their feelings; and they should go to where work is difficult to proceed, and blaze new trails there. While staying at the grass-roots level, leading cadres

should work in a down-to-earth manner and should not indulge in formalism; they should drop their official airs, mix with the masses, carefully listen to their opinions, and conscientiously correct their shortcomings; they should concern themselves with the masses' suffering, help them solve their problems, and correctly disseminate and implement the party's policies; they should play an exemplary role in observing the Central Committee's decision on running clean administration, should not indulge in extravagant eating and drinking, should not accept gifts, and should not obtain or give something by the back door. They should aim to become good servants of the people.

On summing up experience in building socialism with Chinese characteristics, Li Ruihuan said that seriously implementing the decision of the sixth plenary session will certainly help form closer ties between party cadres and the masses. Guided by the line of "one central task, two basic points" since the Third Plenary Session of the 11th CPC Central Committee, we have worked hard in unity, created many new experiences, and blazed new trails in modernization, reform, and opening up to the world. This is a great course of practice and understanding. In this course, it is our major task to constantly sum up experience, to deepen our understanding, to turn our experience into theoretical knowledge, and to use it to guide our work of probing and building socialism with Chinese characteristics. Since the Third Plenary Session of the 11th CPC Central Committee, the second generation party leadership with Comrade Deng Xiaoping as the core had combined Marxism with China's specific conditions, corrected the mistakes left over from the Cultural Revolution, resolutely shifted the work focus to economic construction, broken rigid structures, and introduced reform and opening up, thereby probing and blazing a new trail for building socialism with Chinese characteristics. This is a correct road. Although the line laid down by the Third Plenary Session of the 11th CPC Central Committee is correct, this does not mean that detailed policies, methods, measures, and systems are all perfect, still less does it mean that a thorough and explicit theoretical understanding has been acquired in this respect. We lack theoretical preparations and study in the face of complex international and domestic problems. We have not provided profound explanations or scientific answers for many of these problems, nor can we find answers from old books. Therefore we should, in line with Marxist basic theory, sum up our experience, probe, create, and develop new theories, principles, and policies in light of our specific conditions. Here it is necessary to stress the importance of summing up experience promptly so as to popularize what is right and correct what is wrong.

Li Ruihuan pointed out, it is necessary to correctly sum up experience under the guidance of Marxism, to cater to the masses and practice, and to focus on building socialism with Chinese characteristics under the leadership of the CPC. We should not indiscriminately copy things foreign, should not follow the past, should not rely



on a small number of people, and should not separate our theory from practice. Our vigorous socialist cause is a creative cause of the masses. Building socialism with Chinese characteristics is a great project of transforming society and creating history undertaken by the Chinese people. In history, we stress development, creation, and summation, which is inseparable from the masses, who constitute the impetus for historical development and social transformation. Generally speaking, work at the grass-roots level can help judge whether our structures are good, whether our policies are profitable, and whether these structures and policies can liberate the productive forces. In the rural areas, we should observe whether the people are happy and whether the cows are happy [as published]; in factories, we should know whether the workers exert themselves in work. In this way we will find out about the actual situation, carry out scientific analysis and summing up, and avoid making subjective judgments.

Li Ruihuan said, among leaders and cadres at all levels, there is a problem of mental status with regard to implementing the decision of the sixth plenary session at present or during the entire 1990's. With a correct party line, the people will, under the leadership of the party, overcome difficulties, display their wisdom, and make glorious achievements. There is no reason whatsoever to be pessimistic. At a time when world competition is intense, we should unquestionably prepare for hardship and should soberly and scientifically face all challenges. This is to encourage all the Chinese people to work hard. This concept of bearing hardship is contained in the Marxist optimism of the CPC; it is fundamentally different from pessimism and disappointment. Marxist optimism is based on the law governing historical development; on a scientific understanding; on a profound knowledge of the people's wisdom and strength; and on the vitality, creativity, and firm confidence of the Chinese nation. Therefore communists always put optimism above everything else in their hearts. They have adequate reasons to do so. During the Third Plenary Session of the 11th CPC Central Committee, Comrade Xiaoping proposed this slogan: "Emancipate the mind, be practical and realistic, and unite as one to forge ahead." The 13th CPC National Congress stressed that this still remained our basic slogan. Emancipating the mind and being practical and realistic resulted in the correct line of the Third Plenary Session of the 11th CPC Central Committee. On the basis of this line, the entire party became united, the party and the people became united. The entire party and the people throughout the country have forged ahead in unity, which has led to our present-day victory. Exerting ourselves and forging ahead in unity, we will certainly score new and greater successes in the 1990's.

In conclusion Li Ruihuan said, the XINHUA News Agency is an important press unit possessing many reporters and editors who are politically sensible and professionally competent and maintain ties with the masses. It is a good contingent and an important channel for strengthening ties between the party and the masses. He said: I hope you will make new achievements in

propagating and implementing the decision of the sixth plenary session, be good media between the party and the masses, be a good mouthpiece of the party and the people, and be effective assistants of the party.

Ding Guangeng, Wang Renzhi, and Zhu Muzhi also spoke at the conference on the present press and propaganda work.

### CPC 'Must Increase Its Control' Over Colleges

HK1304044590 Hong Kong SOUTH CHINA  
MORNING POST in English 13 Apr 90 p 10

[By Willy Wo-lap Lam]

[Text] The nation's colleges will be run by Communist Party cadres instead of educators or professional administrators, Beijing has announced.

In a Conference on Party Construction in Institutes of Higher Learning, which opened in Beijing yesterday, the Minister of the State Education Commission, Mr Li Tieying, said the Chinese Communist Party must increase its control over the universities.

"We must insist on the leadership position of party committees in universities," Mr Li said.

"We must strengthen the construction of the leadership corps [in colleges] so as to ensure that leadership positions remain in the hands of people who are loyal to Marxism."

The Education Minister said the party would exercise leadership over institutes of higher learning in the areas of politics, ideology and organisation.

Mr Li, who is also a member of the ruling Politburo, admitted for the first time that the Chinese Government had shelved the so-called college president responsibility system.

The system, which puts the ultimate authority of running institutes of higher learning into the hands of administrators, not party cadres, was first tried in the mid-1980s under the principle of the separation of party and government.

Before the June 4 Tiananmen Square incident, it was estimated that half of the nation's top universities had experimented with the responsibility system.

Mr Li confirmed yesterday that such experiments would be put on hold, hinting that all colleges would go back to the old system of party committees exercising ultimate control over educational matters.

"The party committee occupies a core position in colleges," Mr Li said. "The committee will concentrate its energies on major questions of university work, and on strengthening party construction and ideological work".

At the same time, party authorities in relevant ministries in the central Government as well as the party committees of provinces and cities would also exercise supervisory functions over colleges.

At present, nearly half of all college teachers are party members. Mr Li called on them to fulfil their political responsibility by raising the ideological standards of students.

#### **Deputy Procurator General Views 'Transgressions'**

*OW1304041690 Beijing XINHUA Domestic Service in Chinese 0937 GMT 9 Apr 90*

[By RENMIN RIBAO reporter Su Ning (5685 1337) and XINHUA reporter Zhou Lixian (0719 4539 2009)]

[Text] Beijing, 9 April (XINHUA)—At today's closing of the national work conference on investigations into "transgression" [qinquan 0187 2938] and malfeasance cases, Zhang Siqing, deputy procurator general of the Supreme People's Procuratorate, urged procuratorate organs at all levels to focus their investigations on serious cases of bribery, embezzlement, torture, unlawful detention and liabilities—the cases people complained about most—and to concentrate their efforts on prominent cases.

The number of reports on "transgressions" and malfeasance handled by procuratorate organs nationwide has been increasing annually by 12 percent in recent years according to briefings at the conference. The number of cases investigated also increased at an annual rate of 9.6 percent. This occurred along with the development of the socialist legal system, the heightened awareness of the law among the masses, and the constant intensification of law and discipline inspection.

Last year, law and discipline inspection departments at all levels focused their efforts on the investigation of major and serious cases. The number of prominent cases exceeded 2,000, making up 15.4 percent of all cases investigated. Ninety-seven cadres at county and division level and above, including seven at department and bureau level, were investigated and punished for their crimes.

Zhang Siqing also urged leading organs and chief procurators at all levels to take charge of investigations. He said: This is an effective step to begin our work. He pointed out: Investigating "transgression" and malfeasance cases is a very tough job, and needs to be highly principled since one can encounter a lot of pressure and interference. Therefore, there is greater need for leaders to personally direct and take part in the investigations. This will enable them to be familiar with the cases and to assume leadership whenever problems arise.

#### **Trade Unions Called Bridge Between Party, Masses**

*OW1204192790 Beijing XINHUA in English 1525 GMT 12 Apr 90*

[Text] Jilin, April 12 (XINHUA)—China's trade unions should strengthen their role as a bridge between the party

and the workers and help implement the party's policies, Ni Zhifu, chairman of the All-China Federation of Trade Unions, said here today.

Addressing a presidium meeting of the federation, the chairman said that trade unions, under the leadership of the Chinese Communist Party, should wholeheartedly safeguard workers' legal rights while encouraging them to use their incentive in the democratic administration of the state and enterprises.

Participants at the meeting also discussed the drafting of a law on trade unions.

#### **Comparison of Qian Qichen Press Conference**

*HK3103084490*

Beijing RENMIN RIBAO in Chinese on 29 March carries on pages 1 and 3 the 3,800-character Text of Qian Qichen's answers to questions raised by Chinese and foreign reporters, entitled "Spokesman for the National People's Congress Session Holds Press Conference, Foreign Minister Qian Qichen Answers Questions of Chinese and Foreign Reporters." This text has been compared with the Beijing Television Chinese version published in the 29 March China DAILY REPORT, pages 18-22, and found to be identical except for the following variations: Page 18, column two, paragraph one, sentence one reads: [Text] Beijing, 28 Mar (XINHUA)—At a press conference held this afternoon by Yao Guang, spokesman of the Third Session of the Seventh National People's Congress, Foreign Minister Qian Qichen answered questions raised by Chinese and foreign reporters on the current international situation, the relations between China and the Soviet Union, the United States, and other countries, and other questions concerning international relations.

The press conference was held in the Great Hall of the People.

I am a reporter for TASS of the Soviet Union. (deleting first six paragraphs and adding introductory paragraph) Page 19, column one, paragraph three, sentence one reads: [Reporter] I am from the CHINA DAILY. Since the normalization of Sino-Soviet relations in May of last year, the discussions between the expert groups in foreign and military affairs of the two countries have been continuing. (deleting sentence) Page 19, column one, paragraph six, sentence one reads: [Qian] We welcome the measures taken by the South African authorities, including releasing Nelson Mandela and their promise to have dialogue with the African National Congress [ANC] and the Pan-African Congress [PAC], as well as the measures the South African authorities have taken to allow these organizations to operate openly. (changing word). Page 19, column two, paragraph four, sentence six reads: Socialist construction must, and will inevitably, attain its goal. (wording changed). Page 20, column one, paragraph one, sentence one reads: On granting of most favored nation status, it was provided in a reciprocal clause contained in the trade agreement signed between the two countries. There are now some people in the U.S. Congress who are attempting

to change this stipulation by denying China most favored nation status. (deleting words and sentence). Page 20, column one, paragraph two, sentence two reads: My question is about Taiwan's elastic policy. The Beijing authorities have always been very suspicious and scrupulous about the policy. (wording changed). Page 20, column one, paragraph three, sentence two reads: This is a major question which concerns principle, and it concerns the great cause of motherland reunification. The Taiwan authorities can take part in the non-governmental activities, such as economic and trade activities and games under certain conditions. (deleting sentences and wording changed). Page 20, column two, paragraph one, sentence three reads: Another question is about the issuance by Britain of passports with the right of abode in Britain to 500,000 families in Hong Kong. Does this question constitute another obstacle in the relations between China and the United Kingdom? (wording changed and deleting sentence). Page 20, column two, paragraph two, sentence three reads: About the question of the right of abode in Britain, the British side has repeatedly explained to the Chinese side that the purpose of their decision to grant the right of abode is to ensure the stability and prosperity of Hong Kong. I advise you to carefully read the draft of the Hong Kong Basic Law. (wording changed). Page 20, column two, same paragraph, penultimate sentence reads: I think it will only cause a breakup inside Hong Kong and hamper Hong Kong's stability and prosperity. (adding words). Page 20, column two, paragraph three, last sentence reads: If you do not agree, could you please cite specific measures or moves that China took since June to promote the normalization of relations between the two countries? (wording changed). Page 21, column one, paragraph one, sentence two reads: Mr. Minister, it seems there is a certain contradiction between what I see as official reaction to the changes in East Europe and what some newspapers carried as internal speeches. (changing word). Page 21, column one, paragraph two, sentence one reads: As for changes in East Europe, frankly speaking, because the changes are taking place so fast, it is very difficult for us to make an accurate judgment. (changing word). Page 21, column one, same paragraph, sentence three reads: It is necessary to take note of what is happening in other countries; however, it would be irresponsible for us to make arbitrary comments and indiscreet remarks or criticisms on what is happening in other countries. (wording changed). Page 21, column one, paragraph four, sentence one reads: There is an international human rights declaration in the United Nations, which is an important international document. China has always attached importance to the United Nations' many conventions on human rights. (wording changed). Page 21, column one, same paragraph, penultimate sentence reads: We believe that on the question of human rights in connection with international relations, it is necessary to, on one hand, prevent large-scale violations of human rights and, on the other hand, oppose interference in other countries internal affairs under the pretext of human rights.

Owing to differences in national conditions, historical background, and cultural tradition, countries may have

different interpretations of human rights. (deleting sentence). Page 21, column one, paragraph seven, sentence four reads: But in China, we are pursuing a policy of encouraging better prenatal and sound practice in bringing up children. (wording changed). Page 21, column two, paragraph one, last sentence reads: How do we assess prospects for the reunification of South and North Korea and the reunification of the Chinese mainland and Taiwan, now that the unification of the two Germanies has already been put on the agenda?

[Qian] China holds that the great cause of reunification of the motherland will be realized sooner or later. (deleting sentences). Page 21, column two, same paragraph, last sentence reads: However, this does not mean the two reunifications can be achieved in the same manner.

[Reporter, in English] I am (Schrisber) from UPI. (deleting words). Page 21, column two, paragraph five, last sentence reads: Can you please tell us now exactly who you are talking about, who are the hostile forces?

[Qian] People who do not like our socialist system are very many. This, I think, is also understandable because there can be different views on anything. (wording changed). Page 22, column one, first partial paragraph, last sentence reads: Therefore, it is one thing whether you like or do not like things in China, and it is entirely another thing whether you are interfering or not interfering in China's internal affairs.

[Reporter, in English] IZVESTIYA of the Soviet Union. I realize that China mostly assesses the process of disarmament in terms of negotiations between the Soviet Union and America. Are you considering concrete involvement of China itself in this process of disarmament?

[Qian] Since both the Soviet Union and the United States have the weapons that can directly destroy each other, it is a matter of course that they need to reduce their arms. (deleting sentences). Page 22, column one, paragraph three, last sentence reads: If the two nuclear powers—the United States and the Soviet Union—drastically reduce their nuclear arms and stop production, test, and deployment of such arms, China might [ye ke yi] take part in international disarmament activities and conferences in which all nuclear countries or major nuclear countries participate. (wording changed). Page 22, column one, last partial paragraph, last sentence reads: For this reason, in order to develop Sino-U.S. relations, it is necessary to strictly abide by the principal of mutual noninterference in each other's internal affairs and the principles contained in the three joint communiques.

[Reporter] I am XINHUA reporter (Cai Shihuan). (deleting sentences). Page 22, column two, last paragraph, last sentence reads: I hope our bilateral relations will return to the track of normal development as soon as possible. (deleting sentence).



## Military

### CPC Leadership of Armed Police Discussed

HK1104084290 Beijing JIEFANGJUN BAO  
in Chinese 19 Mar 90 p 2

[Article by Zhou Yushu (0719 3768 2579): "Armed Police Force Must Be Placed Under the Party's Absolute Leadership"]

[Text] The "Summary" of the All-Army Political Work Conference has put forward, in a clear-cut manner, the questions of stepping up political building, ensuring the party's absolute leadership over the Armed Forces and the high degree of stability, centralism, unity, and ensuring that the Armed Forces are always qualified politically. This is a fundamental task for army building at present and for some time to come. It is also a fundamental task for building the armed police force in the new situation.

Placing the armed police force under the party's absolute leadership is, first of all, determined by the nature of the force. As an important component of the state's Armed Forces, the armed police force is a contingent of the People's Armed Forces led by the party. Its fundamental character is its loyalty to the party, the state, socialism, and the people. Here, being loyal to the party is the nucleus. The CPC is a party in power and the leading core of China's socialist cause; it represents the fundamental interests of the state and the people. Like the Army, the armed police force works for the realization of the party's program and line. The character and class attribute of this force determines that it must accept the absolute leadership of the party.

Placing the armed police force under the party's absolute leadership is determined by the function and tasks of the force. The function of the armed police force is to safeguard state security and social stability. The tasks are so arduous and the conditions are so complex that the force has to "be on duty and fight every day." Without the party's strong and unified leadership and without the correct guidance of the party's line, principles, and policies, it would be impossible to accomplish the tasks, still less to stand firm and have a clear-cut stand in great storms, to boldly and flexibly wage resolute struggle against the enemy, and to shoulder the heavy historical task of ensuring China's long-term political stability.

Placing the armed police force under the party's absolute leadership is determined by the situation facing the force. At present, the world situation is in great turmoil. The international hostile forces are intensively implementing their strategy of "peaceful evolution," and some people in the country who stubbornly cling to the bourgeois liberalization stand are still waiting for the opportunity to go into action. We should have a full understanding of the specific status and role of the armed police force in opposing "peaceful evolution," consolidating the state political power, and safeguarding social

stability, unswervingly uphold the party's absolute leadership, and vigorously step up the political building of the force.

To ensure the party's absolute leadership over the armed police force, we deem it necessary to do as follows:

**1. It is necessary to unswervingly carry out the policy decisions, orders, and instructions of the party Central Committee, the State Council, and the Central Military Commission.** The armed police force should be organized to conscientiously study the relevant expositions of Mao Zedong, Deng Xiaoping, and other proletarian revolutionaries of the older generation on the leadership of the party, on the characteristics of the army, and on the party's command over the gun, and to eliminate the effect of such fallacies as "turning the Army away from the party and politics [jun dui fei dang hua, fei zheng zhi hua 6511 7130 7236 8093 0553, 7236 2398 3112 0553]" and "separation of the party and Army." In light of its special features, such as being thinly scattered over many places over large areas; having frequent contacts with the localities; taking up arduous, important, and sudden tasks; and being closely related to policies, the armed police force should step up education in strictly observing discipline and listen to command in all actions, oppose and rectify political and organizational liberalization, cultivate a high sense of organizational discipline and centralism, and solidly foster the concept of the party commanding the gun, so that leaders at all levels and all army units can, in all circumstances, attain a high degree of unity with the party Central Committee politically, ideologically, and in action. In all aspects of its building, the armed police force should conscientiously implement the principles, policies, rules, and regulations on army building, and consciously put into effect, in specific work and actions, the principle on the party's absolute leadership over the armed police force.

**2. It is necessary to have firm faith in the communist and socialist cause and in party leadership.** This is the ideological basis of consciously upholding the party's absolute leadership. We should always implement this in a down-to-earth style so as to lay a solid foundation. It is necessary to step up the study of and education in the basic theories of Marxism-Leninism-Mao Zedong Thought in the armed police force, especially among its cadres, and energetically encourage theoretical studies. Cadres at or above the regimental level are required to systematically read works by Marx, Engels, and Mao Zedong, and study selected works by Deng Xiaoping and other revolutionaries of the older generation. This year, they should concentrate on studying Marxist philosophy and Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics. Cadres at or below the battalion level, as well as soldiers, should study the basic knowledge of Marxism. It is necessary to take adherence to the four cardinal principles and opposition to bourgeois liberalization as an important course in the current political education among the police force and embody it in all aspects of education. Education in current affairs should be stepped up among cadres and

soldiers alike. Through study and education, the vast numbers of officers and men of the armed police force should be able to strengthen their confidence in the socialist and communist cause and party leadership and their conviction in Marxism, apply correct stand, viewpoints, and methods to understand and solve problems, and forever maintain a firm and correct political orientation.

**3. It is necessary to do a good job in building leading bodies according to the requirements of "studying, being united and honest, and seeking truth."** Stepping up the building of the armed police force party organizations at all levels is a reliable guarantee for achieving the party's absolute leadership over the police force. In grasping the building of party organizations, it is first necessary to grasp well the building of party committees at four levels—i.e., the headquarters, corps, detachment, and unit—in order to turn them into nuclei of unified leadership and unity and ensure that the orders and instructions of the party Central Committee, the State Council, and Central Military Commission can be implemented in important chains of command. It is necessary to uphold in the armed police force a series of fundamental systems guaranteeing the party's leadership over the Armed Forces and uphold a responsibility system of division of labor among leaders under the unified collective leadership of the party committee. In providing members of the leading body, we should strictly adhere to the principle of having both ability and political integrity, stress political criteria in cadre selection, observe cadres in political storms, and train them in the fulfillment of their tasks so that the guns are always in the hands of those loyal to the party, the state, socialism, and the people.

**4. It is necessary to resolutely and satisfactorily accomplish the tasks entrusted by the party Central Committee, the State Council, and the Central Military Commission.** Whether on point duty or in dealing with emergency situation, the armed police force can be regarded as constantly performing their duties and facing different situations. Whether or not they can satisfactorily fulfill their tasks and correctly handle the situation not only have an important bearing on the state security and social stability but also constitute a test of whether or not they can resolutely carry out the policy decisions, orders, and instructions of the party. For this reason, it is essential to take combat effectiveness as a criterion and fulfillment of tasks as a test. We should resolutely and satisfactorily fulfill the tasks entrusted by the party Central Committee, the State Council, and the Central Military Commission to the letter, without asking for prices or stressing the difficulties involved. It is necessary to strengthen political building and, while ensuring that the force is always politically qualified, energetically step up military training, and increase the force's ability to do guard duty, deal with emergency situation, and provide guarantee and deterrent, so that the party and the people can feel at ease and the enemy are smitten with fear and that, under all circumstances, the force can

victoriously fulfill the glorious task of safeguarding state security and protecting social stability.

### **Job Campaign Launched for Demobilized Soldiers**

HK1204021590 Hong Kong SOUTH CHINA  
MORNING POST in English 12 Apr 90 p 10

[By Willy Wo-lap Lam]

[Text] Beijing has launched a large-scale campaign to find jobs for demobilised soldiers, in a bid to boost the sagging morale of the People's Liberation Army (PLA).

In a just-ended meeting in the capital, party and military leaders called on government and business units nationwide to play a more active role in providing jobs for ex-military personnel.

The meeting was attended by party General Secretary, Mr Jiang Zemin, State President, Mr Yang Shangkun, Senior Vice-Premier, Mr Yao Yilin, and Defence Minister, Mr Qin Jiwei.

"The task of assigning work to demobilised soldiers is very heavy," the official New China News Agency (NCNA) quoted Mr Jiang and Mr Yang, as saying.

"After working in the ranks, military cadres have a superior tradition. Their quality is high, and many of them have administrative experience."

Mr Jiang and Mr Yang, respectively the chairman and first vice-chairman of the policy-setting Central Military Commission, also noted that demobilised personnel need not all be assigned to government departments.

"They could also work in enterprises and other posts," the NCNA quoted the leaders saying.

According to official statistics, in the past year, some 600,000 members of the PLA and the paramilitary People's Armed Police (PAP) have been discharged.

Most of these are non-career soldiers who have finished their conscription period after a service of three years or more.

According to established practice, the Ministry of Civil Affairs has the main responsibility for finding jobs for the ex-soldiers.

"Resettlement this year is facing more difficulties than last year," the official CHINA DAILY quoted a ministry spokesman as saying.

According to analysts, because of the austerity economic program, both government units and enterprises have put a freeze on hiring.

The retrenchment policy has also hit military factories—most of which have shifted to producing civilian goods—which is a major source of employment for discharged soldiers.

Moreover, as a result of popular resentment against the military's role in the June 4 Tiananmen Square crackdown, the heads of industrial and commercial units are reluctant to take in ex-military personnel.

As an incentive to business units, the Government has decided to pay special "wage subsidies" to those that employ veterans this year.

"To pacify the military, the Communist Party is putting pressure on government and industrial units to provide jobs for the soldiers," a Western diplomat said.

According to the diplomat, Beijing is also shifting the financial burden for looking after discharged soldiers from the military to the Government.

Employment problems encountered by discharged soldiers has affected morale in the Army.

Chinese sources said the military is laying down new regulations to prevent conscripts from leaving the PLA prematurely.

Because of fear that long spell in the military will dampen their chances of finding employment, many well-trained personnel have left the Army.

Military analysts say, however, that as a result of growing urban and rural employment, the PLA and PAP have had no difficulty in their recruitment this year.

#### **Minister Zhao Dongwan Urges Resettling Cadres**

*OW1304025090 Beijing XINHUA Domestic Service in Chinese 1110 GMT 10 Apr 90*

[By reporter Hu Nianqiu (5170 1628 4428)]

[Text] Beijing, 10 Apr (XINHUA)—While addressing a national conference on the resettlement of demobilized military cadres, Personnel Minister Zhao Dongwan called on personnel and military cadre resettlement departments to regard the proper placement of demobilized military cadres as a political task, to overcome difficulties, and to do a good job in placing demobilized military cadres this year.

Zhao Dongwan stressed that the work of resettling demobilized military cadres this year should still be guided by the principle of maintaining stability in the Armed Forces. The work should also safeguard political stability and unity and the placement policy will remain basically unchanged. Provinces, cities, and autonomous regions, which are the ancestral homes of demobilized military cadres or in which they were conscripted, will be responsible for placing these cadres. Those military cadres who spent many years in the service, who held high ranks, and who made comparatively greater contributions should be given proper treatment. Priority should be given to public security, procuratorial, and judicial departments; industrial and commercial departments; and taxation, statistical, and auditing departments that need to be strengthened in the process of improving the economic environment and rectifying economic order

when assigning jobs to demobilized military cadres. Other departments and units required to increase their staff should also accept demobilized military cadres. It is necessary to map out a plan to select a number of cadres experienced in political work to serve in ideological and political work teams.

Zhao Dongwan said: Local authorities should consult and coordinate with the Army in order to execute the placement policy and to ensure various specific problems are properly solved. Personnel and military resettlement departments at all levels should give priority to the placement of demobilized military cadres of divisional and regimental ranks by properly arranging their jobs and livelihoods. The work of training demobilized cadres should be studied and improved in order to make it attractive and effective; it is necessary to strengthen ties with demobilized cadres and serve enthusiastically; it is necessary to go down to the grassroots units to effectively solve problems in resettlement work.

Zhao Dongwan said: Personnel and military cadre resettlement departments should strengthen themselves, raise their ideological and professional quality, be fair and honest, improve the procedures of resettlement work, gradually increase the degree of work openness, strengthen supervision and investigation, guard against the onslaught of unhealthy tendencies, set a good example to win the trust of demobilized cadres, and strive to make themselves a true home of demobilized cadres.

The national conference on resettlement of demobilized military cadres was held today. It is expected to last four days. More than 300 people, including responsible persons of the relevant central departments; the personnel and demobilized military cadre resettlement departments of the various provinces, cities, and autonomous regions; and responsible comrades of the relevant military departments attended the conference.

#### **Military Commission Lauds Beijing Division**

*HK1304093090 Beijing JIEFANGJUN BAO in Chinese 3 Apr 90 p 1*

[Report by Liu Xinying (0491 2450 4481): "The Central Military Commission Issues An Order To Award First-Class Citation for Merit to a Certain Division Under the Beijing Military Region"]

[Text] Beijing, 31 Mar (JIEFANGJUN BAO)—With the outstanding merit earned since the Pingjiang Uprising, and with the new merit of safeguarding the socialist republic, a heroic Red Army troop solemnly received the glory given by the party and the people—the Central Military Commission recently issued an order to award First-Class Citation for Merit to a certain division under the Beijing military region. The citation meeting was held solemnly today where the troops were stationed.

Today, this mechanized infantry troop, which possesses glorious revolutionary traditions, hung up the 187



banner, which had been with them in all their toil in battlefields for 62 years. Carrying shining guns and equipment, the officers and men who were organized in teams awaited this glorious moment. The head of the army group read out the order issued by the Central Military Commission and awarded a banner. Their merit is recorded in the history of the republic and will remain there forever.

They have successfully completed the trial-point task entrusted to our Army's first mechanized infantry troop by the Central Military Commission. They have fully proven and confirmed the organization, equipment, and combat effectiveness of the mechanized division through their practice, contributing greatly to the modernization of our Army.

They have finished many major military operations with successful and outstanding results including the large-scale military exercise in a certain place of northern China, the parade in the 35th anniversary of the founding of the PRC, the entire Army's military exercise for mechanized group army, as well as protecting the borders of the motherland. They have fully demonstrated that our mechanized troops possess a quick response and a strong modernized combating capacity.

In the salvaging operation against the earthquake in Tongshan, they went to the disaster-afflicted region quickly, endured difficulties and dangers, and shouldered a heavy responsibility. They took a great deal of pains and made enormous efforts to salvage those people and their property. During this operation, a large number of heroic exemplary units and individuals emerged such as the troop that received the Second-Class Citation for Merit and "Hong Erlan, a model in the salvaging operation against the earthquake in Tongshan."

They have carried out activities for building the socialist spiritual civilization together with the people, obtained successful results in bringing the government and people closer together, and maintained a peaceful and united political situation. In this way, they have become the "national Army-and-people-unity advanced unit."

At a critical moment last year when the republic was undergoing a life-and-death struggle, this division went into Beijing Municipality to carry out law enforcement duties. In the face of danger and death, a vast number of cadres and soldiers under this division went to Tiananmen Square fearlessly as "pioneers" for the law enforcement troops, and succeeded in clearing the square when the counterrevolutionary rebellion broke out. They used their blood and lives to defend the party and to safeguard the socialist system and the People's Republic.

When looking back to the path to gaining the merit for the party and people, a leading comrade of this division delivered a speech at the citation meeting and impressed this most fundamental experience on the commanding officers of the whole division: Never forget the party's

absolute leadership of the Army and vigorously strengthen the Army politically. Only in this way, can the Army always retain the honor given by the party and the people and ensure that the troops are qualified forever.

At the end of the citation meeting, over a thousand officers and soldiers sang in unison "the divisional anthem of the mechanized divisions," which carries the revolutionary heroism: "The iron is incessantly flowing down mightily and the heroic troops are so strong to resist. They are the descendants of the glorious Red Army, and the CPC shows us the way ahead...."

## Economic & Agricultural

### Jiang Zemin, Li Peng Commend Entrepreneurs

OW0804141490 Beijing XINHUA Domestic Service  
in Chinese 0901 GMT 7 Apr 90

[By reporter He Ping (0149 1627)]

[Text] Beijing, 7 Apr (XINHUA)—The China Enterprises Management Association and China Entrepreneurs Association held an award ceremony at the Great Hall of the People this morning to present the "Golden Horse Award" to 10 outstanding enterprises and the "Golden Globe Award" to 20 outstanding entrepreneurs all over the country.

Jiang Zemin, general secretary of the CPC Central Committee, and Li Peng, premier of the State Council, attended the award ceremony and presented awards to the recipients. On behalf of the party Central Committee and the State Council, they extended warm congratulations to the units and individuals who received the awards.

Other leading comrades present at the ceremony were Song Renqiong, Chen Muhua, Zou Jiahua, Gu Mu, and Deng Lihou.

In his speech, Jiang Zemin said: The adherence to "one central task and two basic points" is the guarantee for enterprises to advance along the socialist road. Therefore, an enterprise director must not only pay close attention to production but also ideological and political work, attending to material and spiritual construction simultaneously. He wished the entrepreneurs new successes.

In his speech, Li Peng said: When we say we must rely on the working class wholeheartedly, we include the entrepreneurs of state-owned enterprises in the working class. As entrepreneurs are directors of enterprises, they are members of the working class. The difference between a socialist and capital entrepreneurs lies in the fact that the interests of a socialist entrepreneur are identical with those of the broad masses of workers as well as with national interests.

Li Peng pointed out: To successfully run enterprises, we must rely on the working class, and enterprise directors

are also an indispensable force. Therefore, enterprise directors must not only have a good command of production technology, management, and operations but also be adept in doing ideological and political work among the masses of workers, sharing their feelings and becoming genuine members of the working class.

Discussing the current economic situation, Li Peng said: March statistics on the national economy have brought us inspiring news, with a turn for the better in the economy. According to the statistics, the monthly industrial growth rate was 1.4 percent. Of this, the growth rate for light industry was about two percent and 5.4 percent for township and town industries. This is a healthy trend following a drastic drop in the industrial growth earlier. The growth rates were even bigger in industries of raw and semi-finished materials, power, coal, communications, transportation, and nonferrous metal, indicating that the major structure has been favorably readjusted.

In an appeal to entrepreneurs throughout China, Li Peng said: It is hoped that everybody will work hard to improve the economic environment, straighten out economic order, intensify reforms, and gradually revive the national economy. It is essential to raise the standard of business management in China to a new level by strengthening management, economizing on raw and semifinished materials, developing new products, tapping new markets, and exploiting the opportunity of economic readjustment. The party and the state pin earnest hopes on you.

The 10 enterprises that won national awards for outstanding business management are as follows: Datong Mining Bureau, Dongbei Pharmaceuticals Plant, Shanghai's Zhengtai Rubber Plant, Wangting Electric Power Plant, Qingdao Refrigerator Plant, Wuhan Iron and Steel Company, Zhuzhou Smelter, Meishan Train Car Plant under the Ministry of Railways, Chengdu Cable Factory under the Ministry of Posts and Telecommunications, and No. 5 Xibei State Cotton Plant. The 20 outstanding entrepreneurs are as follows: Ma Dong, director of Liaoning Electric Power Plant; Wang Zhiwu, director of Daqing Petroleum Administrative Bureau; Wang Xigui, manager of Beijing's Changcheng Windbreakers and Raincoats Company; Wang Ruizhang, director of the Mudanjiang branch of the Harbin Railway Bureau; Qiu Jichao, director of Xiamen Cannery; Liu Jintang, director of Dalian Kinescope Plant; Liu Tiejun, director of Lanzhou Aluminum Plant; Chi Jianfu, director of Harbin Boiler Plant; Qu Youyi, director of Hohhot Special Machine Tool Components Plant; Zhong Weixian, director of No. 523 State Plant; Wang Zhijun, director of Changzhou Diesel Engine Plant; Wu Minzhan, director of Guizhou's Fenghua Machinery Plant; Wu Shenduo, manager of Nanfang Motors Company; Zhu Youwen, director of Luoyang Glass Factory; Zhao Zhongyu, manager of Panzhihua Iron and Steel Company; He Rui, director of Shandong's Xinhua Pharmaceuticals Plant; Hou Shuting, director of No. 5 Shanghai Steel Mill; Gao Chunhua, director of Linping Silk Factory in Yuhang, Zhejiang; Chu Shijian,

director of Yunnan's Yuxi Cigarette Factory; and Cai Chaoqun, director of Tianjin Soda Plant.

At the awards ceremony, Yuan Baohua, chairman of the China Enterprises Management Association, discussed the relationship between readjusting the economy and intensifying reforms, as well as links between strengthening macrocontrol and continuing to invigorate enterprises. He also spoke of the relationships between spiritual and material civilizations, business management and technological progress, the party and the state, and cadres and the masses. Zhang Yanning, vice chairman of the association, presided over the ceremony.

### Sino-Foreign Joint Venture Law To Improve

HK2903021490 Beijing CHINA DAILY in English  
29 Mar 90 p 2

[By staff reporter Zhang Yuan]

[Text] China is to make changes in its Sino-foreign equity joint venture law in order to improve its policy of opening to the outside world and attracting more foreign investment.

Zheng Tuobin, minister of the Foreign Economic Relations and Trade, yesterday submitted an amendment bill to the 2,700 deputies attending the Third Session of the Seventh National People's Congress in the Great Hall of the People in Beijing for their examination.

The bill is called the Amendment to the Law of the People's Republic of China on Chinese-Foreign Equity Joint Ventures (Draft).

According to Zheng, amendments are targeted at six articles of the law.

The most debated amendment is on the operation period of Chinese-foreign equity joint ventures.

The amended Article 12 of the law shall be:

"Based on various lines of businesses and circumstances, the issue of operation periods of equity joint ventures may be handled differently.

"Equity joint ventures engaged in a certain line of business shall specify in the contracts their operation periods, while equity joint ventures engaged in another line of business may choose whether or not to specify their operation periods.

"In the case of an equity joint venture with its operation period specified, if the parties to the venture agree to extend the operation period, the venture may send an application to the examining and approving authorities six months before the expiration of the operation period.

"The examining and approving authorities shall, within one month of the receipt of the application, decide to approve or disapprove it."



The original same article of the law specified the operation periods in two kinds.

Operation period of common equity joint venture projects was limited within 10 to 30 years, while those projects with major investment, a long construction period and low profits could be operated as long as 50 years, or longer, provided that they were specially approved by the State Council.

This amendment on operation period is expected to be more flexible and convenient to foreign investors.

Another major amendment is concentrated at the 13th article of the law.

Zheng said that the amended Article 13 shall be: "If heavy losses occur, failure by a party to perform its obligations under the contract may result in the contract being terminated by consultation and agreement by the parties and subject to approval by the department concerned.

"In cases of losses caused by a breach of contract, the financial responsibility shall be borne by the party that has breached the contract."

Also, an amendment has been made in Article Seven: "An equity joint venture may, in accordance with provisions of the relevant laws and administrative rules and regulations of the State on taxation, enjoy preferential treatment for reduction of or exemption from taxes."

The original article was "An equity joint venture equipped with advanced technology by world standards may apply for a reduction of, or exemption from, income tax for the first two to three profit-making years."

Zheng explained that the amendment is made in this article because the State has promulgated certain rules and regulations on the issue.

Amendments have also been made covering equity joint venture requisitioning, choosing of board chairman and vice-chairman and the opening of a foreign exchange account in financial institutions.

Zheng said the law of the People's Republic of China on Chinese-Foreign Equity Joint ventures promulgated ten years ago "has given a massive push to China's open policy and utilization of foreign funds.

#### **Labor Minister Discusses Suspension of Production**

HK0604010390 Hong Kong WEN WEI PO in Chinese  
4 Apr 90 p 2

[Report: "Present Conditions of and Countermeasures for Suspension of Production—Labor Minister Ruan Chongwu's report at National People's Congress Panel Discussion"—slightly abridged by our editorial staff]

[Text] Due to macroeconomic retrenchment and a slide in industrial production growth, some problems have emerged since last August and September. For example,

some enterprises have been working under capacity, some employees have been waiting for jobs due to production suspension, and the employment pressure has markedly increased. In view of this, the State Council took prompt measures to help those enterprises to restore and develop production and to ensure the basic livelihood of the workers. It has attained some results. Now, I would like to give all deputies a briefing on this issue.

#### **Current Conditions of Suspended Production**

According to statistics and calculations from 40 provinces, autonomous regions, municipalities, and cities with a separate listing, the number of people waiting for jobs in state and collective enterprises accounts for 4.3 percent of the total number of enterprise staff, a drop of 1.7 percentage points over the end of last year. Nearly half of them receive wages or standard wages in full; most of the other half, however, receive standard wages at a discount; and only a very small number of people receive no wages.

Taken as a whole, small and medium-sized enterprises account for a large proportion of the enterprises suspending production. They are chiefly dispersed in cities, counties, and towns. The collective enterprises usually have greater difficulties than state enterprises and find it more difficult to resume production; they also issue a lower level of wages or living expenses. The difficulties of the building industry and some processing industries, such as machinery, electronics, light industry, textile, military industry, and forest industry, are relatively greater.

Investigation in various localities show that the enterprises have suspended production mainly because of slump market and the shortage of funds. According to a typical survey conducted in Changchun City and other places, although these enterprises conform to the production policy, about 70 percent of them have suspended production due to the weak market, the shortage of funds, raw materials, energy, and other production factors, and so on; about 30 percent should be readjusted in the economic rectification because they do not conform to the production, have a poor foundation in production and operations, are short of fixed products, produce poor-quality, high-priced goods, and have no prospects for development.

#### **Principal Measures Taken by the State Council**

The party Central Committee and the State Council are very concerned about and attach great importance to the question of some enterprises suspending their production. Comrades Jiang Zemin and Li Peng have given important instructions on many occasions. To appropriately solve this problem, the State Council and all localities and departments have, since the fourth quarter of last year, adopted a series of measures and done a lot of work.

On 4 December last year, the General Office of the State Council issued a "Circular on Appropriately Dealing With the Question of Production Suspension Among Some State Enterprises." An administrative body in which the Ministry of Labor plays a leading role and which is composed of leading comrades from the Ministry of Finance, the State Commission for Restructuring the Economy, the Ministry of Public Security, the Ministry of Construction, and the All-China Federation of Trade Unions was set up to specifically deal with the problems relating to the suspension of production.

On 10 December last year, the Ministry of Labor, the Ministry of Finance, the State Commission for Restructuring the Economy, and the All-China Federation of Trade Unions jointly issued a "Circular on Making Good Arrangements for the Livelihood of State Enterprise Employees. During the New Year's Day and the Spring Festival, Who Wait for Jobs Due to Suspension of Production." The circular stipulated that during the New Year's Day and the Spring Festival, efforts should be made to ensure that the basic wages and the nonstaple food price subsidies are issued to the unemployed workers that month. It is necessary to do a good job in selectively providing relief to those having difficulties or special difficulties in their livelihood.

Leading groups headed by principal provincial and city leaders have also been set up in most regions to specifically deal with problems of suspended production. In helping the employees solve their problem in life and providing jobs for them, the various localities and departments resort to numerous channels and means to raise funds and appropriately solve the basic life of these people. The All-China Federation of Trade Unions has allocated two million yuan to subsidize and express solicitude to those who have particularly great difficulties in life. Hebei and Heilongjiang Provinces have adopted various methods to raise funds, which are issued to workers as wages and living expenses. These methods include raising funds by the enterprises themselves and offering help and financial subsidies by competent departments. Moreover, to make room and provide proper employment for these workers, the various localities and departments make conscientious efforts to dismiss workers employed by enterprises outside planning and to regulate labor supplies. In the nation as a whole, the building industry has dismissed rural construction teams totaling 1.7 million people. By regulating labor supplies, the second light industry department in Wuhan City alone has provided employment for over 4,000 job-awaiting personnel.

Under the direct leadership of the State Council and with the joint efforts of various localities and departments, the development trends of enterprises suspending production has been initially brought under control and the employees are in a stable frame of mind. Last January, the vast numbers of employees spent the New Year's Day and the Spring Festival in an auspicious and peaceful manner.

#### Countermeasures for Further Solving the Question of Suspended Production

Judging by the conditions reflected from various localities and departments, the question of enterprises suspending production has not been solved thoroughly. Because they have not received wages or have received reduced wages for a long time, a small number of employees have difficulties in life; because a small number of collective enterprises do not participate in unified social arrangements for retired expenses, the basic life of retired workers cannot be guaranteed. Therefore, instead of treating the question of suspended production lightly, we still must pay close attention to it.

A regular working conference of premiers of the State Council and a full meeting of the State Council were held on 22 February and 2 March respectively to study the economic situation and policy. They listened to Labor Ministry's report on the situation in suspended production and studied views for its solution. In light of the problems in the current economic life, such as the weak market and the drastic drop in industrial growth, the State Council has decided to take two measures. On the one hand, it is necessary to carry out structural readjustments and to improve enterprise performance, principally by readjusting the production structure, product mix, and enterprise organizational structure. This is a radical means of solution. On the other hand, it is necessary to adopt measures to maintain appropriate speed in production.

At present, in light of their own practical conditions, the various localities and departments are conscientiously carrying out the guideline of the State Council's circular by working out specific measures for implementation. They also take further measures to stabilize enterprises, develop production, and safeguard stability and unity. Following the implementation of the State Council's circular, the question of some enterprises suspending production will be solved satisfactorily.

#### Minister Hu Ping Views 'Belt Tightening'

HK2803010590 Beijing JINGJI RIBAO in Chinese  
7 Mar 90 p 1

[Article by staff reporter Xu Han (1776 3211): "Belt Tightening Does not Mean Living a Hard Life, an Appropriate Level of Consumption Is Conducive to the Development of Production—Commerce Minister Hu Ping Talks to Reporter"]

[Text] Nowadays, "leading a thrifty life" has become a common topic of conversation. But in what way are we going to practice thrift and how thrifty will our life be? This has always been a question in our minds. Addressing a national meeting of directors of commerce departments and bureaus and managers of supply and marketing cooperatives which was held recently, Hu Ping, minister of commerce, asserted: "While urging

people to lead a thrifty life, we must also encourage moderate consumption." This view has drawn great attention of all circles.

A few days ago, this reporter had an interview with Minister Hu Ping on this issue.

**Reasonable Consumption Is Indispensable, Individual Consumption Should Not Be Inhibited**

Reporter: As China is undergoing a process of economic improvement and rectification, people are explicitly urged to lead a thrifty life for several years. Does this imply that the public will have to curtail their consumption expenses and tighten their belts?

Hu Ping: The belt-tightening drive is of great significance to inhibiting inflation and easing the contradiction embodied in the fact that the aggregate demand exceeds the aggregate supply. But this does not mean that the public must lead a life so thriftily as to curtail their normal and reasonable consumption. The main aims of this belt-tightening drive are to bring the scale of capital construction under control, regulate institutional purchases, promote the practice of frugality, encourage moderate consumption rather than inhibit individual consumption, and thus facilitate the normal development of production. The key task is to build up a normal structure of production and consumption and that of accumulation and distribution, through economic improvement and rectification, and thus enable the national economy to embark on a benign cycle by which production, exchange, distribution, and consumption coordinate with each other. For this reason, while launching the belt-tightening drive, we should encourage moderate consumption as well.

Reporter: How should we interpret moderate consumption? To be sure, high-standard consumption that does not suit our national conditions must be curtailed. But as a matter of fact, we have already imported and installed several hundred production lines for manufacturing of color television sets, refrigerators, and cars. In this context, will you classify purchase of color television sets, refrigerators, and video cassette recorders as high-standard consumption?

Hu Ping: The definition of "moderate" depends on the development level of productive forces. In advocating "moderate consumption" we mean to develop a consumption structure and policy that suit the present development level of productive forces in China and that can satisfy the people's demand and boost production as well. Without moderate consumption there will be no continuous production. Production and consumption are two closely linked sectors, and failure in either sector will have impact on the operation of the national economy as a whole. Therefore, moderate consumption is indispensable.

The purpose of socialist production is to satisfy the 'broad masses' evergrowing material and cultural needs. In the wake of the development of production, the

people's living standards are constantly improving, and people's consumption standards are also constantly upgraded. This is a natural outcome. In discouraging high-standard consumption that does not suit our national conditions, we just want to avoid the case of excessive growth in the consumption fund and overheated consumption that China has experienced since 1985. Prominent examples of this case are the construction of many office buildings, auditoriums, and hotels; the precipitous expansion of high-grade catering service, huge investment in hotel and shop renovation projects, and the practices of giving lavish banquets and presenting gifts by some government organs, enterprises, and service units. The broad masses are hardly involved in this trend. As for purchases of color television sets and other high-grade consumer goods, these cannot be arbitrarily classified as high-standard consumption that does not suit national conditions. In my opinion, such a consumer behavior just indicates that the consumers' demand has been upgraded gradually in the wake of a production boom and social progress. This consumption trend must not be arbitrarily inhibited but be regulated, especially in view of the present production situation and production structure in China.

Moderate consumption also means rational diversification of the purchasing power. We have seen quite a few cabarets, ballrooms, and karaokes in Shanghai. The boom of such noncommodity consumptions is a good phenomenon which shows that people need to enrich their spiritual life.

**Demand Should Only Be Inhibited Moderately, Sales of Commodities as a Means to Recover Banknotes From Circulation Must Not Be Overlooked**

Reporter: What is the great significance of moderate consumption to the country's efforts to extricate itself from the current economic predicament?

Hu Ping: For a long time there have been among our people two different views on the relations between consumption and production. The first view favors high-standard consumption and maintains that production and economy can be boosted by encouraging consumption and upgrading the consumption standard remarkably. Now we have found that this practice will finally lead to inflation, market chaos, and structural imbalance. Facts have shown that this view is divorced from our national conditions and will therefore get us nowhere.

The other view favors inhibiting consumption and maintains that high economic growth should be achieved by protecting industries and expanding accumulation with a low-standard consumption. This was exactly the policy of high accumulation and low consumption practiced before the Third Plenary Session of the 11th CPC Central Committee. As everybody knew, this policy led to a situation in which the people's living standards were kept at a low level over a long period, production grew very slowly, and the economy suffered from a very



serious structural contradiction. Practice has shown that this view does not work either.

Through economic improvement and rectification we have now managed to keep down the overgrown consumption fund and bring the overheated economy under control. Meanwhile, however, we are also faced with a sluggish market and huge stockpiles of certain goods. This case has reminded us that control over consumers' demand should be exercised only to a reasonable extent. I agree with the following view: "It is necessary to change the present situation in which the amount of banknotes recovered from circulation through curtailing of credit exceeds by far the amount of banknotes recovered from circulation through sales of commodities, and it is necessary to adopt essential measures to ensure that the current year's purchasing power will be used up by consumption as planned." Solely relying on the means of credit but overlooking the role of sales of commodities in the recovery of banknotes from circulation will result in blocked circulation channels, recession of production, and low economic growth. Therefore, we should now encourage consumption and try to end the sluggish market as soon as possible since the market is gradually recovering.

#### **Vigorously Expand the Consumption Sector, No More Practice of Cutting Profits and Big Sales**

Reporter: Not long ago, the People's Bank of China announced a negative interest subsidy rate [li xi tie bu lu 0448 1873 6317 5943 3764] for value-guaranteed savings deposits. This can be regarded as a good news for commerce. How is the commercial sector going to encourage consumption and boost production?

Hu Ping: The negative interest subsidy rate for value-guaranteed savings deposits is a message that should draw the attention of the producers, the business operators, and the consumers. The commercial sector should lose no time and take the initiative in making a breakthrough. There should be no more practices of cutting profits, dumping, and big sales. Instead the commercial sector should follow the normal operational procedures, purchasing what should be purchased, stocking what should be stocked, and promoting what needs a promotion. Nobody should stand idle awaiting the recovery of the market. The commercial sector should also take the initiative in helping the industrial sector have a clear picture of market changes, step up readjustment of the product mix, and increase effective supply to the market through promotion of sales and production.

On the other hand, the commercial sector's operational performance, methods of sale, and service quality may also affect the consumers' purchasing behavior and thus the volume of sales. For this reason, it is necessary to make greater efforts to advertise commodities so as to attract the customers. Commodity fairs, advertisements in newspapers and on the radio and television, and window display can also serve as useful media to

encourage consumption. At the same time, flexible management and good service are also necessary. Shop assistants must not only warmly entertain customers but must also provide a wide range of services, offering "three guarantees" for sold goods, regular door-to-door maintenance, and after-delivery service.

While encouraging consumption, one should start with the existing consumption structure, satisfy different needs of consumers of different strata, and expand the consumption sector, especially the noncommodity consumption sector.

After the interview, this reporter felt that the issue of moderate consumption has been a long-standing one. It is a rather significant gesture for Minister Hu Ping to raise this issue again while China is suffering from a relatively sluggish market today. To encourage moderate consumption, we must first make use of macroeconomic policies and then adopt some economic measures accordingly. At the same time, appropriate propaganda is necessary.

#### **Li Senmao Discusses Railway Transportation**

HK1004104290 Beijing RENMIN RIBAO in Chinese  
1 Apr 90 p 5

[Article by Li Senmao, Minister of Railways: "Strengthen Railway Transportation To Serve Economic Improvement and Rectification"]

[Text] Railroads are an important component part of the national economy and the backbone of the national carrying trade. The volume of goods moved by rail accounts for 50 percent of total freight volume nationwide and rail freight turnover comprises over 70 percent of freight turnover nationwide. Railway transportation plays a decisive role in developing the national economy. In the meantime, railroad transportation is the barometer of national economic development, showing the changes in the national economy.

Historically, changes in the national economy during different periods have found direct expression in railroad transportation. From the early days of the founding of New China to the 10-year-long period of turmoil, China's railroad transportation repeatedly grew and fell back. Not until after the Third Plenary Session of the 11th CPC Central Committee did railroad transportation grow steadily. While the transport capability fell far short of demand, the volume of rail freight grew at an average annual rate of 50 million metric tonnes.

Judging from the performance of railroad transportation, which is closely connect to and mirrors the changes in the national economy, I believe that the central government's policy on improving the economic environment, rectifying the economic order, and deepening reform is correct and has made marked achievements which have mainly found expression in the following:



1. During the first year after the policy was introduced, rail haulage grew steadily and the volume of rail freight kept increasing. In 1989, the volume of rail freight amounted to 1.468 billion metric tonnes, a net increase of 62.52 million tonnes, or 4.4 percent, over the previous year. Both the increment and growth rate had rarely been seen over the last few years.

In 1989, railroad transportation was seriously obstructed by interference, especially by the turmoil and rebellion. In early June, as many as 969 goods trains were stranded. However, the broad masses of railmen stood fast at their posts, strictly observed discipline, and brilliantly fulfilled the plan for cargo services, passenger transport, and military transport. In June, when the country was in the greatest disorder, the average daily rate of freight wagon loading registered 73,000 trains, increasing by 1,800 trains over the corresponding period the previous year, with the maximum rate reaching 78,000 trains a day, hitting a record high for the 40 years since the New China was founded. This year, the rail volume has grown steadily. Rail freight for January and February increased by one percent compared with the corresponding months last year.

2. The quality of railroad transportation has improved remarkably. The growth rate in freight volume of key materials was greater than the overall growth rate in freight volume. In 1989, the railroads carried 608.91 million metric tonnes of goods, an increase of 7.8 percent over the previous year. They also carried more ore, chemical fertilizer, chemical raw and semi-finished materials, and agricultural and side-line products. Giving priority to key materials in railroad transportation was in line with the state's policy on economic improvement and rectification and on readjusting the industrial structure. The state's key projects are also projects to which railroad transportation must attach importance.

While the freight volumes of some goods went up those of others dropped, showing the readjustment of and change in the industrial structure and product mix. This indicated that, in the meantime, economic overheating has been initially brought under control. In the past, the number of requests for goods trains remained high, with an average daily demand for 140,000 trains. This number has now dropped to 100,000 which is positive and rational. The freight volume of undersupplied goods, the supply of which the government has tried its utmost to guarantee, did not decline. At the same time the excessive growth rate in the production of oversupplied products, which the state had to bring under control, was slowed down, thus reducing the demand for goods trains.

3. A change in the volume of passenger transport also showed the results of economic improvement and rectification. In the past people have had great difficulty in buying train tickets. The trains on trunk lines were seriously overloaded, the overloading rate of some trains even reaching more than 100 percent. Last year, the

volume of passenger transport dropped remarkably, alleviating the relevant strain. Passengers travelling by train totaled 1.128 billion, a drop of 87.97 million or 7.2 percent from the previous year. The main reasons were that such activities as purchasing and marketing around the country, transporting goods for sale, and provincial or national meetings, decreased after the government introduced economic improvement and rectification; fewer peasants and craftsmen went to cities to look for a job; and, equally important, was the rise in ticket prices in September last year. The growth in the volume of rail freight and the change in the structure of goods shipped by rail, together with the decrease in passenger transport, indirectly indicates the strengthened capacity of the government to regulate and control the national economy and that the relevant efforts have achieved marked macroeconomic and social results.

Despite the fact that we have made certain achievements in railroad transportation in the course of economic improvement and rectification, we are still confronted with great difficulties. The outstanding problems are the serious shortages of transport capability and funds and a lack of potential, making it difficult to meet the needs of economic development. At present, we still have 21 outlets which set the maximum railroad transport volume [yun shu gao du 6663 6551 7559 1653], and the goods that are allowed to pass through these outlets [guo kou yun shu wu zi 6665 0656 6663 6551] can only meet 56.4 percent of the demand. The safety of railroad transportation is questionable, the service rendered is unsatisfactory, and security along the railroad is deteriorating. The task of reforming the railroad transport service remains tough.

In light of the general goal and plan for economic improvement and rectification laid down by the central authorities, and the actual conditions and difficulties in railroad transport, we have decided to spend three years, that is from 1990 to 1992, improving and rectifying railroad transportation.

First, readjust the structure and rationalize relevant relationships. With a view to increasing railroad transport capability and readjusting the structure of investment in railroad transportation in a reasonable way, we will: Moderately increase the proportion of investment in building lines; step up the technical reform of the 16,000 km of railroad and auxiliary projects in the coastal regions; readjust the relationship between the ability to provide auxiliary items, repair and manufacture rolling stock, and improve the ability to produce auxiliary items; improve welfare facilities for railroad workers according to our capability while developing the transport service and raising the economic returns; and cover water and power shortages along the railroad. Second, attach importance to fundamental matters, improve service quality, ensure safety, and correct malpractices. Third, renovate the facilities and rebuild equipment which has long been out of repair as soon as

possible. Fourth, tap the latent power so that more goods will be carried through the outlets which impose restrictions.

While improving and rectifying its own service, the railroad should further play its role in the general regulation and control of the national economy, making contributions to the overall economic improvement and rectification of the national economy to bring about a sustained, stable, and coordinated development.

1. Stick to the principle of self-reliance, strictly enforce transport discipline and maintain transport order, attach primary importance to the state interest and social benefits [she hui xiao yi 4357 2585 2400 4135], and ensure fulfillment of all transport plans laid down by the government. When distributing the transport capability we should pursue the government's industrial policy, giving priority to key industries and major and medium key enterprises supported by the government, and to vital materials necessary for developing the national economy. We will not deliver those products which have been declared obsolete or the production of which has been banned by the government so that the limited railroad transport capability can be rationally and effectively utilized.

2. Devote great efforts to transportation of coal and goods which aid agriculture. We will continue to regard transportation of coal as the most important task, strictly enforcing the state plan for transferring coal. We will make timely deliveries of goods which aid agriculture such as seeds, chemical fertilizer, farm chemicals, plastic film, farm machinery, and so on, as well as agricultural and sideline products. We will make sure that fuel and raw and semi-finished materials needed by, and products produced by, 234 major and medium key enterprises enjoying the government's "double protection" are shipped by rail properly. We will also do a good job in delivering daily necessities to speed up circulation of commodities, revitalize the economy, enliven markets, and stabilize the people's livelihood.

3. Bring railroad transportation under strict control, strengthen discipline, and take resolute measures to hold in check malpractices such as: Abusing the "train" or "ticket" for personal gain, blackmail, and taking advantage of posts on the train to transport goods for sale, which infringe upon the state interests and undermine the reputation of railroad transportation, so that the fine tradition of the people's railroad serving the people is restored and carried forward.

In the meantime, we must be on the lookout for rendering transport service and give no opportunity to those who carry out all kinds of illegal and criminal activities, playing the role of supervision and control in the course of economic improvement, rectification, and deepened reform.

1990 is a critical year for economic improvement and rectification and deepening reform. The tasks with

respect to railroad transportation, economic improvement and rectification, and deepening reform are arduous. We must bring into full play the initiative and creativity of 32 million railroad workers to make new contributions to realizing the strategic objective for the second stage in the 1990's in developing the national economy.

### Industrial, Commercial Administration Viewed

OW0104203690 Beijing XINHUA Domestic Service in Chinese 0023 GMT 24 Mar 90

[Text] Beijing, 24 Mar (XINHUA)—The State Council has already approved "A Report on Strengthening Industrial and Commercial Administration" prepared by the State Administration for Industry and Commerce. The State Council General Office recently circulated this work report and instructed all localities to implement it conscientiously.

The circular issued by the State Council General Office says: In recent years, industrial and commercial administrative organs have done a great deal of work and achieved some results in economic supervision and administrative enforcement, especially in straightening out and readjusting companies as well as cracking down on and dealing with illegal cases. The people's governments at all levels must continue to strengthen their leadership over industrial and commercial administration and further play their role as industrial and commercial administrative organs to create good conditions for promoting a continued, stable, and coordinated development of the socialist economy.

Viewing its tasks, the State Administration for Industry and Commerce set forth in the report the following seven points:

First, it is necessary to further strengthen supervision and control of markets of means of production and continue to promote the administrative level of rural fairs and trade markets in accordance with law. Industrial and commercial administrative organs must supervise in accordance with law market transactions involving means of production, examine the qualifications of both buyers and sellers, control the movement of commodities in the transaction, and deal with illegal or irregular activities. Industrial and commercial administrative organs must supervise and control in accordance with law all visible markets, transactions of all means of production, and order-placing meetings. Emphasis must be placed on the supervision and control of the currently outstanding transaction problems, such as those of rolled steel, motorcycles, and real estate properties, to further search for effective methods of supervision and control. It is imperative to continue to consolidate and develop rural and urban markets and gradually achieve the goal of standardizing transactions and administration as well as services and facilities.

Second, it is necessary to strengthen the supervision and control of state-run and collective enterprises and

actively support the establishment and development of enterprise groups. We must follow resolutely the requirements for straightening out and consolidating companies set forth by the CPC Central Committee and the State Council and continue to do this work well. As to the companies to be liquidated, it is imperative to urge competent authorities to form, in accordance with regulations, liquidating organizations to settle their accounts, properly resettle their personnel, and go through the formalities of cancellation registration. We should take large-scale enterprises, enterprises in which it is hard to separate management from government administration, and enterprises of monopolized nature as our major targets for conducting propaganda and education on the legal system. Meanwhile, we must protect in accordance with law and support the healthy development of enterprise groups and do well the work of registration and administration of enterprise groups. We must pay attention to the supervision of foreign-invested enterprises, especially to supervision of capital investment and contract performance.

Third, we must conscientiously strengthen supervision and control of the individual and private economic sectors and guide them to develop in a healthy way. At present, it is necessary to further clarify that the following policy will remain unchanged: While having public ownership as a major economic form, we will continue to encourage the development of various economic aspects, including the individual and private economic sectors; we will encourage some of the people to get rich first through honest labor and legal business operation; and the state will protect the legal rights and benefits of the individual and private economic sectors. Legal, economic, and administrative means will be used to strengthen the guidance and administration of the individual and private economic sectors, bring their active role into play, and limit their negative influence. We must conscientiously straighten out, in accordance with relevant regulations, fake collective enterprises that, by their titles, appear to be collective enterprises, but in actuality are individually-run industrial and commercial household and privately-run enterprises, and reregister their businesses in accordance with their economic nature. We must conscientiously correct the practice of "controlling through charging fees." No units or individuals are allowed, unless within the boundary of laws, regulations, and policy, to collect arbitrary service charges, unjustified additions to production, and arbitrary fines from individually-run industrial and commercial household and privately-run enterprises.

Fourth, we must severely crack down on such activities as manufacturing and selling fake and inferior commodities, as well as publishing and broadcasting false advertisements, in order to conscientiously safeguard the interests of the state and the people. At present, we must concentrate our efforts on dealing with fake chemical fertilizers, insecticides, seeds, drugs, and liquor.

Fifth, it is necessary to strengthen the administration of economic contracts, maintain social and economic

order, and ensure the accomplishment of state plans. Particular emphasis should be placed on strengthening the notarization and registration of purchase and sale contracts involving important means of production and large quantities of agricultural and sideline products. We must have good control of matters concerning signing of contracts, supervise all parties concerned to ensure compliance with contracts, and ensure the accomplishment of the state's mandatory plans. We must strengthen the administration of responsibility contracts involving construction and installation projects and ensure, through legal means, the implementation of the policy of controlling and curtailing fixed-asset investment.

Sixth, it is necessary to protect in accordance with law the special rights of registered patents and strengthen international cooperation in the field of patents. This year, major efforts will be made to protect the patents of 100 large and medium-sized enterprises. Meanwhile, great effort will be made to straighten out pharmaceutical patents and protect the development of noted and excellent medicines.

Seventh, it is imperative to strengthen the building of clean government and promote the quality of the contingent of industrial and commercial administrative personnel. The key point in the building of clean government and the contingent of industrial and commercial administrative personnel lies in punishing and dealing with those who seek personal profits through abuse of power. In implementing the building of clean government, we must start with leading organs, especially leading cadres at all levels, and really achieve the goal of being honest and upright and enforcing the law impartially. In addition, we must pay attention to the grass roots work; conscientiously carry out the "Regulations Governing the Work of Industrial and Commercial Places," "Elementary Principles of Openness for Industrial and Commercial Administrative Personnel in Performing Their Duties," "Rules of Integrity for Industrial and Commercial Administrative Personnel," and "Regulations Governing the Punishment of Industrial and Commercial Administrative Personnel Who Violate the Rules of Integrity"; and combine mass supervision and the mechanism of self-restriction. Those who are found guilty of violating laws and regulations will be punished severely. We will not shield their shortcomings and faults or be indulgent toward their mistakes.

#### State Council Urges Clearing Debt Defaults

OW0304111490 Beijing XINHUA in English  
1040 GMT 3 Apr 90

[Text] Beijing, April 3 (XINHUA)—The State Council, China's highest governing body, has issued a circular calling for nationwide efforts to clear debt defaults among industrial enterprises and other sectors, the "PEOPLE'S DAILY" reported today.

A committee headed by Zou Jiahua, minister of the State Planning Commission, will be set up to guide and



coordinate the debt-clearing effort. The work is expected to be completed by the end of July.

Debt defaults arising from sluggish markets, goods stockpiles and insufficient circulation funds have hindered normal production and dim the prestige of socialism, the circular says.

Leading officials at all levels are urged to stress the importance of this work as an important aspect of the current drive to straighten out the economic order and improve the economic environment.

### **Zou Jiahua To Head 'Triangle Debts' Group**

OW0304144390 Beijing XINHUA Domestic Service  
in Chinese 0548 GMT 2 Apr 90

[Text] Beijing, 2 Apr (XINHUA)—The State Council made a decision recently to launch a nationwide drive to settle "triangle debts" [san jia zhai 0005 6037 0280].

The State Council has issued a circular on this matter to the various provincial, autonomous regional, and municipal people's governments and various ministries, commissions, and organs directly under the State Council. The circular points out that, because of the sluggish market and the overstocking of finished products, industrial and transportation enterprises are facing a serious problem of a shortage of working capital for their production work. Defaults in loan payments owed to each other among various enterprises and units and a recurrence of payment arrears following the settlement of earlier debts among them have become very serious. This is a salient problem affecting normal production operations. It has damaged social credit as well. In order to ease the situation, the State Council has decided to launch a drive to settle such "triangle debts" across the country. Leading comrades of various localities and departments must attach great importance to this work and consider it a major task in improving the economic environment, rectifying the economic order, and deepening the reform.

The State Council notes that this work to clear debts should be handled in combination with the effort to start and promote industrial production and transportation work, with the effort to implement the state's policy on industry and readjust the industrial structure and production mix, with the effort to strengthen the building of a fund management system, and with the effort to invigorate the market. The work should be done through cooperation among various departments and regions and by proceeding from those below to those above. As the first step, this work should start within the respective provinces, autonomous regions, and municipalities, and the capital construction, foreign trade, commercial, and materials departments. It should be organized by the various localities and departments. Taking into consideration the various loans granted recently, all enterprises and units which have already been allocated construction funds and which have received purchase funds from

the foreign trade, commercial, and materials departments for their own products should immediately pay off all arrears to the producing enterprises for the equipment or raw materials obtained from them. In the case of those enterprises and units that have not received the construction funds allocated by the state for key projects, the financial, credit, and other concerned departments should appropriate such funds to them in full and in good time so that they will incur no additional debts. As the second step, the focus should be shifted to the provinces, autonomous regions, and municipalities where more arrears have occurred. A transprovincial (autonomous regional, municipal) effort should be organized to clear the debts involving more than one locality. The third step will be to push the work to the national level after regional debts have been cleared. This debt clearing work is expected to be basically completed by the end of July 1990.

The State Council also calls on banks to provide a certain amount of start-up funds for settling "triangle debts." In order to prevent a debtor from incurring new debts after settling its previous debts, various enterprises and units must abide by contracts and strictly observe discipline for financial settlement. Beginning on 1 April 1990, units that do not pay for their purchases, without reason, will be required to pay a fine for delayed payment at a rate of 0.03 percent per diem.

The State Council has also decided to establish a State Council Leading Group for the Settlement of "Triangle Debts" with Zou Jiahua as its leader and Ye Qing and Zhou Zhengqing as deputy leaders. The leading group will be responsible for organizing and leading the "triangle debt" settlement work throughout the country. It will have a provisional office which will be located with the State Council's Production Committee. The various provinces, autonomous regions, and municipalities should also form their respective "triangle debt" settlement leading groups led by their principal leading comrades, with representatives of the concerned departments as members. Likewise, the concerned State Council departments should set up "triangle debt" settlement leading groups with their principal leading comrades in charge.

### **Zou Jihua Views Construction Projects Efficiency**

OW0804183090 Beijing XINHUA in English  
0839 GMT 8 Apr 90

[Text] Beijing, April 8 (XINHUA)—China will strive to raise the efficiency of the country's key projects under construction, said Zou Jiahua, state councillor and minister in charge of the State Planning Commission, here today.

At the national working conference of major projects, he said, on the basis of curbing the scale of the total investment in fixed assets, China will readjust the industrial structure and give priority to the construction of projects in agriculture, energy, transport, telecommunications and raw materials.



The state put these key projects on the state's priority list in an effort to accelerate development of the national economy. The state will ensure smooth construction of the projects by supplying enough manpower, investment and materials.

In the four decades since the People's Republic of China was founded, such key projects have greatly enhanced the country's economic strength. According to the statistics, about 4,400 large and medium-sized projects were set up during the period 1950 and 1988.

This year the Chinese Government will focus its efforts on constructing 204 key projects with an investment totalling more than 30 billion yuan. Projects in energy, transport and raw materials account for 80 percent of the total.

Zou Jiahua called attention to the fact that the construction cycle of key projects has become longer as a result of low efficiency in recent years. He called for effective measures to change this situation.

He said China will continue to curb the scale of investment and readjust the investment structure so that the limited funds and materials will be used for the construction of key projects.

One measure he cited was that the State Planning Commission in cooperation with the auditing office will spend two or three years reviewing and auditing all the projects under construction.

### **Proposal on Enterprise Problem Solving Adopted**

OW0104190490 Beijing XINHUA in English  
1546 GMT 1 Apr 90

[Text] Beijing, April 1 (XINHUA)—A proposal worked out by the China Democratic National Construction Association (CDNCA), one of the eight non-communist parties in China, have been brought to the close attention of the leaders of the Communist Party of China (CPC) and the State Council.

In light of the CPC document on multi-party cooperation and based on a six-month study, the Fifth Central Committee of the CDNCA recently sent a five-point proposal to the CPC Central Committee and the State Council on solving the problems China's large and medium-sized enterprises are facing.

The five points of the proposal are as follows:

- to have a better balance and planning of energy and raw material supply so as to ensure supply to large and medium-sized enterprises;
- to readjust credit policies to ease the fund shortage of such enterprises;
- to readjust financial and tax policies to create an environment which allows large, medium-sized and small enterprises to compete on equal footing;
- to perfect the contract responsibility system in enterprises; and

—to improve the management of large and medium-sized enterprises and raise their quality.

The proposal has been forwarded to relevant government ministries, which have been urged to adopt it earnestly so as to solve the existing problems in these enterprises.

### **Price Reform To Be 'Stepped Up Moderately'**

HK0904144590 Hong Kong CHING CHI TAO PAO  
in Chinese No 13, 2 Apr 90 p 9

["Informed Source Forum" article by Chong Sheng (5883 3932), filed on 29 March: "Price Reform Will Be Stepped Up Moderately"]

[Text] The phenomena of a shrinking price increase range and a weakening market have revived the enthusiasm of those economists on the mainland who have been in favor of pushing forward price reform. They hold the view that the panic over prices rocketing among citizens has gradually phased out, while some measures in recent months to readjust prices, foreign exchange rates and deposit interest rates have not caused any significant anxieties; therefore, it is time to continue to push forward price reform, and no banks run caused by panic buying like in 1988 is likely to take place. Hence, the need for presenting more new measures on price reform.

It is learned that relevant departments have to some extent accepted the aforesaid view, and will appropriately push forward price readjustment, and raise the prices of some products which are markedly on the low side on the basis of continuing to keep prices under control, and to keep the price increase range lower than last year. However, such a price increase range arranged by the government in a planned way, be it nationwide or regional, will be controlled in a very narrow range.

Some new measures to be presented in relation to prices are focused on structural readjustment, characterized by supporting and increasing production of basic products, suppressing production of unmarketable products or products in long supply, and rendering service to optimize the industrial structure and product mix. The focii of readjustment will be on the prices of some farm produce, mineral products, and communications and transport which have been especially irrational, such as the procurement prices for cotton, sugar, edible vegetable oil, prices for energy resources such as crude oil, and power, transport prices for railway freight transport, and water transport on inland river and coastal seas will be raised to various degrees. The recent price increase of railway freight transport and water freight transport along inland rivers and coastal seas directly under the jurisdiction of the Ministry of Communications was an important part of the series of price increase measures.

Some experts believe that to appropriately push forward price reform with leadership in a planned way, to take a firm grasp of readjusting some markedly irrational price

structures, and to gradually iron out the price system will be helpful to further giving play to the market's regulating role and setting up an economic operational mechanism that combines planned economy with market regulation.

### **Forestry Minister Gao Dezhan Speaks at Forum**

HK2603113190 Beijing GUANGMING RIBAO  
in Chinese 26 Feb 90 pp 1, 4

["Excerpts" of speech by Gao Dezhan, Minister of Forestry, delivered at a forum jointly sponsored by the Ministry of Forestry, the State Commission for Science and Technology, and the GUANGMING RIBAO Editorial Department: "The Technological Reinvigoration of Forestry Is Our Historical Task"]

[Text] The technological reinvigoration of forestry is a basic, directional, and strategic task in the field of forestry. Our proposal for the employment of technology in the reinvigoration of forestry stems from the needs and development of the existing situation in that sector, and our decision to do so is based upon the important position and function of technology in the development of forestry.

Both the party Central Committee and the State Council, which attach great importance to technology as the key to socialist modernization construction, consider the promotion of technological advancement a historical task on the part of the whole party and the whole people. Furthermore, the State Council has reached a decision to utilize technological advancements in the reinvigoration of agriculture, and to reinforce the promotion of achievements in agricultural technology. Addressing the Commendation Conference on State Technology, Comrade Jiang Zemin clearly proposed: "We must insist on placing technology in a strategic position which will be given priority in development, and we must insist on enhancing economic and social beneficial results by technological advancements. It is only through technological development that we will be able to get twice the results with half the effort." Underscoring the importance of technology and relying on technological advancements to develop productivity are two major state and party policies which have been tailored to our country's existing needs and introduced at a time of contemporary technological development. We should exercise earnestness and perseverance in the thorough application of these policies in forestry work.

The actual situation of our forestry production construction points to the urgent need for employing technology in solving major problems in forestry reform and development. First, although spectacular achievements have been scored in forestry production construction since the founding of our country, we are in a grim situation. We are faced with a crisis in forestry resources in a forest sector which is beset with serious financial difficulties. The development of forestry is very much hindered by crude operation, backward management, and capital shortage. We should employ technology to realize the

transition from crude operation to monitored operation and technological management. To achieve the best results with minimum effort, we should apply technology to obtain quality, quantity, beneficial results, and capital. Furthermore, our objectives in forestry reform are to develop productivity, increase forest resources, and strengthen the vitality of the forestry sector. We should speed up forest cultivation, strengthen forest protection, reinforce forestry management, and employ our resources appropriately by means of systematic projects and synthesized administration. These four tasks should be carried out simultaneously. Taking the issue from the main direction in which production construction of the forestry sector is to proceed, we must greatly improve the rate of forest maturity and preservation, the rate of forest growth and accumulation in our forest units, and the rate of resource and timber utilization. We must earnestly seek to improve the inferior quality and quantity of afforestation, the backwardness in the nursing, management, and protection of forests, the failed afforestation efforts, the inferior timber produced, and the low growth rate of forests.

Our forestry sector is sufficiently equipped to promote the technological reinvigoration of forestry. A forestry research system comprising personnel at all levels has been established in the country. A sizable technological research team has been set up, and a technological management system formed. Over the years, a great deal of research in forestry technology had been conducted by forestry technological research units at all levels, and also by forestry institutes. Their research successes were especially evident in the last 10 years, during which more than 1,000 appraised achievements in technological research were scored, and considerable technological reserves built up. One of the major aspects in our proposal for the technological reinvigoration of forestry is the promotion of applicable, advanced, and effective results of technological research, and the changing, as soon as possible and on an extensive scale, of such potential productivity into realized productivity, so that the production construction of forestry will achieve the objectives of low capital, high production, low consumption, and high effectiveness. Such measures would also put into practice the unification of biological, economic, and social beneficial results.

The following duties should be properly discharged to achieve success in the technological reinvigoration of forestry.

First, we should enhance our knowledge in the technological reinvigoration of forestry and strengthen forestry leadership. The technological reinvigoration of forestry is not a slogan. It is a measure which involves the whole process of production construction in the forestry sector, and which requires the extensive mobilization and organization of cadres and staff in the forestry system, and the people involved in forestry and tree-planting, to implement and promote technological advancements in forestry. Leading cadres at all levels of the forestry

system should place great importance in the technological reinvigoration of forestry and recognize the urgency of employing technological advancements to speed up the development of the forestry sector. Also, they should truly consider technology as a form of primary productivity, place the technological reinvigoration of forestry as an important item on their agendas, and earnestly seek to reinforce the leadership in technological work.

Second, we should devote our efforts to the establishment of the systems concerned. Whether or not technology can be turned into actual productivity is determined by the timely application of advanced and applicable technology to production construction in forestry. To achieve this objective, we should improve and enlarge the technological research system, the technological promotion system, and the technological monitoring and survey system. Special attention should be paid to the conduction of technology to the channels of forestry production construction. The establishment of these systems should go hand in hand with the needs of quick-growing and productive forest bases, and also with key projects like "the three forest belts in northern China," the forest belts along the middle and upper reaches of the Chang Jiang and the coastal regions, the afforestation of plains, and the basic construction of the forest sector. Such a measure would serve to organize and mobilize the forestry technological forces to launch themselves in the main battlefield of forestry production and construction services. In the next few years, we should first focus our attention on perfecting the technological promotion systems at the departmental, provincial, local, and county level, and on forming a comprehensive and interlinked system for the promotion of technological advancements and a communications network for forestry. The aforesaid tasks should be carried out as soon as possible.

Third, we should lay hold of the promotion and application of technological achievements. Our rate of application of promoted technological achievements in forestry is only some 30 percent, and there is still a great deal of potential in this area. All localities should sort out, select, combine, and group together their respective technological achievements in forestry, tailor them to the local situation, formulate promotion plans at different levels, and earnestly organize the implementation of such achievements. This year, the Ministry of Forestry has decided to sort out appraised achievements in forestry technology research over the years and select some 100 items for the formulation of a promotion plan for advanced technological achievements applicable to forestry. From now on, technological achievements which are applicable to forestry should be publicized and promoted in a timely manner, and a system should gradually be formed. Moreover, reforms should be carried out in the appraisal of technological achievements. Such achievements should first be appraised and applied on a preliminary basis before formal appraisals are made. The achievements should be assessed, and recommendations determined, in accordance with the actual

effects of their application. Also, policies and measures which are practical and effective should be implemented to encourage technological personnel to get involved in more promotion and application work, so that technological results will be spread far and wide.

Fourth, we should lay hold of planning. We should insist on the guiding principle that production construction in forestry should rely on technology, and that technology should be inclined toward the guiding principle of forestry production construction and focused on the development of forestry productivity, the increase of forest resources, the enhancement of vitality in the forestry sector, the earnest improvement of planning in technological development, and the promotion of technological achievements. We should take into consideration the current situation and development trends of forestry technology in advanced forestry countries. To increase our reserves and improve the backup for the technological development of forestry, we should closely apply such trends to our forestry situation, emphasize the study of basic technological theories of forestry, and look into the possibility of applying new techniques and high technology in the forestry sector. More importantly, however, we should reinforce the study of technological application and encourage intermediate experiments and development research, so as to meet the urgent demands for forestry production construction in the current stage.

Fifth, we should lay hold of involvement. The forestry management departments at all levels and the various forestry enterprise units should assume an active role in supporting the advancement of forestry technology. They should increase their effective involvement in forestry technology in a multichanneled, multileveled, and multifaceted manner, and they should also tailor their measures to local conditions and adopt a technologically inclined preferential policy. At the same time, major aspects should be highlighted, and special attention placed on the use of funds to support technological promotion. The forestry management departments at all levels should study the situation earnestly and formulate policies, measures, and methods for the extensive raising of funds to develop technology, and they should also play an active part in winning support from various sectors. To maximize funds utilization, they should reinforce the management of technological funds in an earnest manner and insist that such funds should be allocated in accordance with the needs of individual projects and tasks, and the beneficial results which might be obtained from their implementation.

Sixth, we should lay hold of coordination. Effective coordinating measures should be employed to create an environment which emphasizes and supports the technological reinvigoration of forestry. From now on, planning, funds, and projects should be considered as major coordinating measures for the promotion of technological advancement. Projects which are possible to carry out, but which do not actively employ applicable technological advancements will not be included in the

planning. No funds will be allocated to such projects, and they will not be itemized. Moreover, consideration should be placed on the adjustment and selection of plans, funds, and projects in accordance with their effectiveness in the implementation of the technological reinvigoration of forestry.

Seventh, we should lay hold of training. Training in forestry technology should be focused on enterprises, primary levels, and production, and should also combine the unique characteristics of cadres, technological staff, workers, and tree planters. Such training, to be carried out on a short-term and after-hours basis, should concentrate on job training. Flexible and varied training activities, such as professional training, topical training, seminars for the exchange of ideas, and technological consultations should be launched. At the same time, priority should be given to urgently required training in production and work. Such a measure conforms to the guiding principles of highlighting major aspects and putting acquired knowledge into practice. The leadership of forestry technological training should be strengthened earnestly, and the policies and measures of encouraging and supporting training carried out. Furthermore, training, examination, and employment should be combined to ensure continuous improvement in the technological standard of forestry staff.

Employing technology in the reinvigoration of forestry is a glorious historical task on the part of the vast numbers of cadres, workers, and tree planters in the forestry system. In this year's forestry work, we should earnestly

seek to put into practice the spirit of the Fifth Plenary Session of the 13th CPC Central Committee. We should improve administration and rectification, further forestry reforms, speed up forestry development, strengthen staffing, and place the technological reinvigoration of forests as a foremost concern. To improve forestry work, we should start organizing activities for "the year of forestry quality and quantity" and effecting training in the entire forestry sector.

#### **Opportunity for Agriculture Loans Increasing**

*HK0404110590 Beijing CEI Database in English  
4 Apr 90*

[Text] Beijing (CEI)—The total loans for agricultural production from banks and credit cooperatives reached 16.16 billion yuan in the first two months, 5.05 billion yuan more than the same period of 1989.

The Agricultural Bank of China plans to issue more loans for agricultural production, an increase of 67 percent over 1989, according to bank authorities. The loans from banks and credit cooperatives are expected to increase by 10 billion yuan and 11 billion yuan respectively.

To encourage local banks to extend loans for agricultural production, the Agricultural Bank has decided to cut down interest rates for such loans. Both the People's Bank of China and Agricultural Bank have allotted special funds to help underdeveloped areas and afforestation.



## East Region

### LIAOWANG Interviews Fujian's Chen Guangyi

HK1304083190 Hong Kong LIAOWANG OVERSEAS  
EDITION in Chinese No 14, 2 Apr 90

["Newsletter" by Xu Minhe (1776 3046 0735): "Usher in a Golden Era of Opening up to the Outside World for Fujian Province—An Interview With Chen Guangyi, Deputy to the National People's Congress and Secretary of the Fujian Provincial CPC Committee"]

[Text] During the Third Session of the Seventh National People's Congress, this reporter interviewed Chen Guangyi and asked him to talk about Fujian's opening up to the world in the course of improving and rectifying the economy and its future plans. He was very busy but spared this reporter a Sunday night for a long talk.

He pointed out directly that, without reform and opening up, it would have been impossible for Fujian to register speedy development over the last 10 years, a development which far exceeded the progress made during the previous 30 years. As Premier Li Peng's Government Work Report says, without reform and opening up to the world it is impossible to proceed with socialist construction; without holding firm to the socialist orientation, it is impossible to carry out reform and opening up. The past year has been an extraordinary one for Fujian. We made a number of achievements as a result of our adherence to the four cardinal principles and persistence in reform and opening up. We also made a breakthrough in opening up to the world due to our consistent efforts to preserve the situation of stability and unity, thus pushing the work of opening up to the world to a new stage.

He cited some figures in explanation: Last year, exports increased by 14.7 percent; foreign exchange income from tourism rose by 10 percent; approval was given for the operation of 872 joint ventures, an increase of 7.3 percent over the previous year; foreign capital negotiated totaled \$903 million, an increase of 95.1 percent; and foreign capital actually utilized amounted to \$329 million, an increase of 152.6 percent. There has been a particularly rapid increase in the use of Taiwan capital and last year the increase was registered at 270 percent.

Fundamentally speaking, these achievements are attributed to our persistence in one central task (economic construction) and two basic points (adherence to the four cardinal principles and reform and opening up). Chen Guangyi said. Last year's turmoil also influenced Fujian but we regarded maintaining stability and unity as an overwhelming task, so the overall situation in Fujian remained stable. Last year we made great efforts to strengthen party building and four provincial meetings were held to discuss matters concerning party building. Efforts were also made to strengthen ideological and political work. Activities on learning from Lei Feng and carrying out spiritual civilization are now being

launched throughout the province by soldiers and civilians. All this has brought about a turn for the better in party style and the general mood of society and has also played a positive role in maintaining Fujian's opening up to the world.

He related some of Fujian's special features in opening up to the world in the course of improving and rectifying the economy:

—Ideologically, we have formed unanimity between improving the economy and opening up to the world, instead of separating them or setting one against the other. In the course of improving and rectifying the economy and deepening reform we have, in line with Fujian's specific conditions, proposed "expanding the scope of opening up," because improving the economy, deepening reform, and opening up to the world are unanimous in purpose and are all aimed at bringing about a sustained, steady, and coordinated economic development. Improving the economic environment and rectifying the economic order includes the economic environment and order in opening up to the world. The important purpose of improvement and rectification is to adjust the economic structure, including the product mix, enterprise structure, and the industrial structure. This adjustment will proceed more efficiently in the course of expanding the scope of opening up.

—We have seized the opportunity to develop the work of opening up to the world in range and quality. In range, Fujian Province has formed a multitier, omnidirectional structure for opening up to the world; in quality, the province has gradually shifted from single to comprehensive explorations in introducing foreign capital, and from small to large and medium projects, with a transition from labor-intensive industries into the combination of labor, capital, and technology.

—We have combined the introduction of foreign capital with the optimization of the industrial structure and the transformation of enterprise structure. The introduction of foreign capital is aimed at developing productive projects, export products, and wholly-owned enterprises. Last year productive projects run with foreign capital accounted for 90 percent and export products manufactured by means of foreign capital accounted for 80 percent. To properly solve the shortage of relevant funds, we have also proposed the least possible use of renminbi and the maximum use of foreign currencies.

—We have further improved our investment environment and are managing the existing joint ventures in a down-to-earth manner. We regard these as basic efforts for building the image of opening up and for improving our ability to attract foreign capital. We have done much and made achievements in this respect. By running a joint venture, we can encourage a large number of enterprises to follow. There are now almost 3,000 joint ventures in the province and 1,500

of them have gone into operation. Last year 85 percent of these joint ventures made profits, an increase of five percent over the previous year. There have been improvements in Fujian's "soft and hard environments" ["soft" refers to creating favorable conditions, "hard" refers to material conditions]. Our office work efficiency has greatly improved. Last year the province's investment in capital construction was cut by 20 percent but its investment in improving the "hard environment" increased and accounted for two-thirds of the total investment. Improving the "soft environment" also involved strengthening spiritual civilization. The bigger the scope of opening up, the higher the standard for spiritual civilization. For the last few years we have persevered in carrying out socialist spiritual civilization. Last year we made great efforts to crack down on "obscenity" and "profanity." This was well received by investors from abroad.

In conclusion, this responsible person summed up with a profound sense of history: Fujian was already well-known for its openness during the Tang and Song Dynasties. This was where the world-renowned "Sea Silk Road" started. After the founding of New China, the province was shut for 30 years due to various reasons. The year 1979 ushered in the spring of opening up to the world. In terms of "opportunities," Fujian, like the rest of the country, gains the same benefit from the correct policies and principles of the party in opening up to the world. But in terms of "geographical conditions" and "human relations," Fujian enjoys more strong points than the rest of the country because it is close to Taiwan. Fujian is an ideal region on the mainland for Taiwan compatriots to make investments.

We should have a firm grip on this good opportunity. In the 1990's, we will continue to seriously implement the party's basic line. Fujian will make new breakthroughs in opening up to the world and usher in a new golden age. Apart from producing a good impact on the country's economic development, this will also push forward the process of the motherland's peaceful reunification under the "one country, two systems" formula.

### **Fujian Circular Views Learning From Lei Feng**

*OW1304052890 Fuzhou FUJIAN RIBAO in Chinese  
5 Mar 90 p 1*

[Text] On 2 March, the provincial party committee, provincial government, and military units stationed in Fujian jointly issued a "Circular on Widely Promoting Activities in Learning From Lei Feng-Type Advanced Individuals Among Military and Civilians throughout the Province." The full text of the "circular" reads:

Since the provincial party committee and the military units stationed at Fujian issued the "Opinions on Promoting Activities in Learning From Lei Feng by the Military and Civilians" (Document No. 3, 1990, of the Fujian provincial party committee), all localities and Army units have seriously organized themselves to implement the document. Both the military and civilians

responded to the call with enthusiasm. Cities and towns throughout the province are permeated with a new atmosphere of "learning from Lei Feng, fostering a new style of work, expressing warmth to other people, doing practical work, and making contributions." The provincial party committee, the provincial government, the provincial military district, Unit 32404, Unit 37503, Unit 39120, and the Fujian provincial armed police corps decided to widely promote activities in learning from Lei Feng-type advanced individuals among the military and civilians throughout the province in order to promote joint effort. This will ensure that activities are carried out in a more solid, thorough, and sustained manner. The spirit of Lei Feng will also be carried forward in all trades, professions, and Army units.

1) Fully understand the meaning of learning from Lei Feng-type advanced individuals. Lei Feng's spirit is the spirit of the socialist age. It focuses on and embodies the moral character of serving the people wholeheartedly. For 27 years, Lei Feng's spirit has been a strong motivating force that inspired the broad masses and the Army to advance triumphantly. It is the spiritual nourishment for the growth of young people one generation after another. Nurtured by the Lei Feng spirit, many Lei Feng-type advanced individuals have emerged in the Army and various localities in our province. Chen Shanmin, Feng Yisen, Hu Jianzhong, Lin Guoping, Huang Jijian, Shao Hualong, Huang Xiaomin, and Xu Weidong were commended by the provincial party committee and Army units stationed in Fujian and are some outstanding examples of advanced individuals. Their ideals, sentiments, thoughts, and moral character are in accordance with Lei Feng's spirit. We will not only set up good examples for militarymen and civilians to emulate, but also enrich and enhance Lei Feng's spirit by learning from and publicizing Lei Feng-type advanced models and exemplary characters in all trades and professions in our province. This will also provide more approaches for learning from Lei Feng so that the activity of learning from Lei Feng will gain more powerful influence and give the people a healthy sense of our times. Every locality and Army unit must fully understand the great ideological and political significance of learning from Lei Feng-type advanced individuals, further develop the influential examples of typical characters, and utilize the power generated by these examples to further advance joint militarymen-civilian activities aimed at learning from Lei Feng, building a socialist civilization, and developing Lei Feng's spirit.

2) Widely publicize and earnestly learn from the exemplary deeds of Lei Feng-type advanced individuals. Mass media such as the press and radio and TV broadcasting stations should be fully utilized to widely publicize Lei Feng-type advanced individuals. By doing so, their deeds will be known to each and every household. We must plan and organize tours by Lei Feng-type advanced individuals to all places to report on their advanced deeds. We should also organize all military people and civilians, especially young students, to seriously study

the book entitled "Lei Feng Spirit in Fujian." At the same time, various popular concerts, lectures, and quiz programs based on the theme of Lei Feng-type advanced individuals should be held.

3) Earnestly sum up and publicize the advanced models of our respective localities, troops, and units. All prefectures (cities), counties, trades, professions, and Army units must promptly discover and commend a number of advanced units and individuals as part of the joint militarymen-civilian activities of learning from Lei Feng. Those discovered will be prototypes and targets upon which cadres, masses, officers, and men may model themselves. We must guide the large number of cadres, masses, officers, and men so that as they learn from Lei Feng and Lei Feng-type advanced individuals, they will earnestly emulate the models around them. This will further arouse their political zest, enthusiasm for work, and their creative spirit. Attention must be paid to reinforcing and improving the quality of advanced models as well as safeguarding their creativity and initiative. This will foster the healthy growth of a greater number of advanced models and the emergence of more Lei Feng's from modern times.

4) Launch learning activities in connection with our jobs. All localities and troops must take into account the practical situation and characteristics of their professions; coordinate "achieve excellence" activities—achieving excellence in one's own posts, service to others, social order, and environment—with the activities of learning from Lei Feng-type advanced individuals; and constantly launch activities to sharpen job-related skills, compete for excellence at work, and extend warmth to people outside the work place. We must strengthen our education in vocational ideals, ethics, discipline, and skills through learning from Lei Feng-type advanced individuals. This will further establish and perfect our own standards for vocational ethics and job-related skills, which will enable all to clearly understand their code of conduct and do their jobs better.

5) Closely concentrate on developing the economy; building a revolutionary, modernized, and regularized Army; and coordinate activities of learning from Lei Feng and advanced individuals with the effort to erect a spiritual pillar and become advanced individuals. We must plant a heroic image in the hearts of the large number of cadres, masses, officers, and men through learning activities. We must also inspire the spirit of socialism, patriotism, revolutionary heroism, self-reliance, and waging hard struggle in order to make more contributions at one's respective posts and stations. We must continue to launch a socialist emulation campaign, hold military skills contests, and select shock workers of the New Long March as well as national 8 March red-banner pacesetters. We must strive to perform meritorious deeds and services for the sake of improving the economic environment; rectifying economic order; deepening reform; opening to the outside world; and for

building a revolutionary, modernized, and regularized Army in order to promote social stability and boost productivity.

6) Coordinate learning activities with joint militarymen-civilian efforts to develop spiritual civilization. In the course of learning from Lei Feng and other advanced individuals, all localities and Army units should designate certain cities, towns, rural areas, homes of the Overseas Chinese, schools, airports, bus and railway stations, wharves, hotels, and shops as models for demonstrating joint militarymen-civilian efforts to develop spiritual civilization. We must persist in this manner, keep perfecting and developing this practice, and gradually figure out a set of practicable methods and experience. In the near future, the various prefectures, cities, counties, and garrisons concerned should place proper emphasis on the development of civilization along the Fuzhou-Xiamen railway line.

7) Party organizations must effectively strengthen leadership over our learning activities. Party committees of all localities and Army units should regard the activities of learning from Lei Feng and other advanced individuals an important matter for joint militarymen-civilian efforts to learn from Lei Feng, develop spiritual civilization, and display Lei Feng's spirit. We must fully bring into play the concerned mass organizations and departments at all levels by holding regular coordination meetings and making plans to further intensify the activities of learning from the advanced. Military and civilian leaders at all levels should take the lead in learning, doing practical work, and propaganda. This will set an example for the large number of cadres, masses, officers, and men. We must take account of our own practical situation, develop a long-term program, and a plan to do this work in different stages. Doing this in a planned and solid manner will help us achieve more conspicuous results.

#### **Zhejiang Leader Urges Safeguarding Stability**

*OW0304145690 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 29 Mar 90*

[By reporter (Chai Xueyue) from the "Provincial Hookup" program]

[Text] Xia Zhonglie, member of the Standing Committee of the provincial party committee and head of the leading group for political and legal affairs under the provincial party committee, stressed the following at a provincial political and legal work meeting today: Political and legal work departments at all levels should further promote ideological unification and make clear their tasks in compliance with the guidelines set at the Fourth, Fifth, and Sixth Plenary Sessions of the 13th CPC Central Committee and on the basis of the guiding principle that stability is above everything else. They should mobilize the whole party to rely on the masses to vigorously strengthen the political and legal work and do their utmost to maintain social stability in our province.



Today's meeting was presided over by Xu Xingguan, member of the Standing Committee of the provincial party committee and concurrently vice governor of the province.

Comrade Xia Zhonglie said: Maintenance of social stability is a task above everything else for the whole party and the people across the country. To maintain social stability, it is imperative to mobilize the whole party and rely on the masses. In particular, all departments on the political and legal work front should take this as their primary duty and fundamental task. In doing all kinds of work, including the work of public security, procuratorship, administration of justice, national security, and judicature, and the work of the Political and Legal Commission, we must do our utmost to maintain social stability and take this as our starting point and ultimate goal in thinking over questions, doing our work, and assessing the results of our efforts. It is essential to be strict, meticulous, and earnest in doing the political and legal work so as to make it a real success.

Comrade Xia Zhonglie asked all political and legal departments to organize all cadres and policemen to earnestly study and deeply understand the guidelines set at the national political and legal work meeting. They should achieve unity in thinking, make clear their tasks, and energetically put the above-mentioned guidelines into practice according to the specific conditions of various localities. Comrade Xia Zhonglie also asked party committees at all levels to conduct wide-scale propaganda and education among the masses, making them aware that stability benefits the nation and people while disturbance harms the nation and people. They should see to it that the broad masses speak nothing and do nothing that may adversely affect stability and unity but, instead, act self-consciously to boycott all acts harmful to social stability.

Moreover, Comrade Xia Zhonglie said: Making comprehensive efforts to improve social order is a good way to do political and legal work by following the mass line under the new circumstances. Party committees and governments at all levels should put this work high on their agenda. They should use all measures, including propaganda, education, management, discipline, rules, and laws to eliminate all factors leading to public security problems and to mobilize the broad masses to struggle against all law violations, criminal acts, and unhealthy practice in society. It is necessary to continue to deal hard blows at serious criminal offenses and economic crimes. This task should not be relaxed, but should be grasped firmly.

### Central-South Region

#### Guangdong Military Region Relays NPC Spirit

HK1204095490 Guangzhou Guangdong Provincial Service in Mandarin 0400 GMT 11 Apr 90

[Text] This morning, the People's Liberation Army [PLA] Guangzhou Military Region held a meeting to

relay the spirit of the Third Plenary Session of the Seventh National People's Congress.

Leaders and retired former leaders of the PLA Guangzhou Military Region attended this morning's meeting.

Liu Cunzhi, deputy commander of the PLA Guangzhou Military Region and concurrently deputy to the Third Plenary Session of the Seventh National People's Congress, relayed the spirit of the Third Plenary Session of the Seventh National People's Congress at this morning's meeting.

Comrade Liu Cunzhi said that the recently concluded Third Plenary Session of the Seventh National People's Congress was held in a democratic, practical, united, and confidence-boosting atmosphere and is bound to promote China's political, economic, and social stability and development and help maintain long-term security and stability in China.

Zhang Wannian, commander of the PLA Guangzhou Military Region, presided over and delivered a speech at this morning's meeting.

In his speech, Commander Zhang Wannian said that an important task of the PLA Guangzhou Military Region at present is to conscientiously relay, study, and implement the spirit of the Third Plenary Session of the Seventh National People's Congress. On the basis of a comprehensive understanding of the spirit of the Third Plenary Session of the Seventh National People's Congress, the PLA Guangzhou Military Region must focus its work on the following three aspects: 1) To correctly view the current situation, strengthen confidence in the CPC leadership, and adhere to the socialist road; 2) To raise consciousness in implementing the principle of maintaining overall stability and fully understand that no matter what happens in the world, an overriding task at present is to safeguard national stability in China. The PLA troops must forever submit to the absolute leadership of the CPC and maintain a high degree of stability and centralized unity; 3) To strengthen the sense of responsibility among the broad masses of the PLA officers and soldiers. To this end, it is necessary to educate the broad masses of the PLA officers and soldiers to more consciously submit to the overall situation of improving the economic environment, rectifying the economic order, and deepening the reform and further step up the PLA-building work.

#### Guangxi's Chen Huiguang Visits Regional Members

HK1304101090 Nanning Guangxi Regional Service in Mandarin 1100 GMT 12 Apr 90

[Excerpts] This morning, Chen Huiguang, secretary of the Guangxi Regional CPC Committee and concurrently chairman of the Guangxi Regional CPPCC Committee, and Zhong Jiazuo, secretary general of the Guangxi Regional CPC Committee and concurrently vice chairman of the Guangxi Regional CPPCC Committee, arrived at Xiyuan Hotel in Nanning to see and hold



discussions with personages of various democratic parties, who were attending the Third Plenary Session of the Sixth Guangxi Regional CPPCC Committee.

In Xiyuan Hotel, Comrade Chen Huiguang and Comrade Zhong Jiazuo modestly listened to the views and proposals put forward by the members of the Guangxi Regional CPPCC Committee with regard to the work of the Guangxi Regional CPC Committee, the work of the Guangxi Regional People's Government, the improvement of Guangxi's investment environment, the development of Guangxi's forestry, the strengthening of Guangxi's elementary education, and the improvement of Guangxi cadres' work style. [passage omitted]

Comrade Chen Huiguang also expressed concern and understanding for the difficulties the personages of various democratic parties have encountered in their daily life and pledged to do his best to help them solve those problems.

During the discussion, Comrade Chen Huiguang expressed the hope that all the members of the Guangxi Regional CPPCC Committee will conscientiously hold discussions on the revised "Draft Work Report of the Guangxi Regional People's Government" and put forward more valuable views and proposals in this regard.

#### **New Henan CPC Secretary Inspects Village**

HK1204094690 Zhengzhou Henan Provincial Service  
in Mandarin 1030 GMT 11 Apr 90

[Text] On the morning of 6 April, the weather was fine in the Dabieshan Area, which is in the southern part of Henan Province. Hou Zongbin, the newly appointed secretary of the Henan Provincial CPC Committee, led an investigation group to (Chenggangshan) Village in Shawo Town of Xinxian County, which is an old liberated area in Henan Province, to see the cadres and peasants there.

Inside the village, (Chen Dengfeng), secretary of the village CPC branch, invited Comrade Hou Zongbin to sit at the rostrum to give a speech. Comrade Hou Zongbin modestly said: "I have come here especially to learn from you. I'd like to hear a speech from you, instead." Comrade Hou Zongbin then let Comrade (Chen Dengfeng) sit at the rostrum. He himself then sat down among other cadres and began attentively listening to Comrade (Chen Dengfeng)'s speech like an ordinary CPC member in the village.

(Chenggangshan) Village is a mountainous village which has only limited cultivated land. The village used to be a very poor one. In 1984, the per capita income of the village stood at only 97 yuan. Over the past few years, the village CPC branch members have led the broad masses of peasants to carry out afforestation on the mountains nearby and develop their village economy in light of their local conditions. Now all the 28 CPC members in the village have shaken off poverty. They have also helped 51 poor households in the village solve their

problem of lack of food and clothing. Last year, the average per capita income of the village stood at 328 yuan.

In his speech, Comrade (Chen Dengfeng) gave a detailed account of the village's economic development and the activities carried out by the village CPC branch. He said: "We have gained two basic experiences in the course of our development. One is that our CPC branch has been able to act as a fighting bastion; The other is that our CPC members have been able to play a vanguard and exemplary role."

After hearing Comrade (Chen Dengfeng)'s speech and seeing that trees have grown on all the mountains in the village, Comrade Hou Zongbin highly praised the achievements made by the village CPC branch and its party-building work as well. He gladly said that in order to shake off poverty and become prosperous, all the old liberated areas in Henan must have as competent CPC branches as the one in (Chenggangshan) Village.

#### **North Region**

##### **Inner Mongolia Holds Family Planning Meeting**

SK1304043490 Hohhot NEIMENGGU RIBAO  
in Chinese 11 Mar 90 P 1

[Excerpts] Based on a forecast, by the end of this year, that is during the time when the seventh Five-Year Plan ends, our region's population will surpass the plan by more than 100,000 persons. In face of this severe situation, regional family planning workers attending the conference in Hohhot sensed the heavy burden on their shoulders.

Over the past 10 years, thanks to the in-depth family planning work, our region has scored great achievements in this field. At the conference, responsible persons of the regional Family Planning Committee advised the people that "if we neglect or slacken our efforts in family planning one time, the danger of a decline in family planning work will occur."

The figures announced at the conference showed that during the next five years, beginning from 1991, women of child-bearing age in our region will increase by 585,000 over the previous five-year period. This means that the number of women of child-bearing age will increase 2.37 million. More than 60 participants discussed for five days on how to cope with this severe situation and how to do this year's family planning work well. They clearly defined that the basic tasks for this year's family planning work are to comprehensively implement the "interim family planning regulations of Inner Mongolia region," strictly control population growth, strive to alleviate the influence caused by the third peak-birth period, and fulfill the annual family planning plan.

It was learned that the region's major family planning control targets issued by the regional Family Planning

Commission for 1990 are: The birth rate should be controlled at 17.9 per thousand, the natural growth rate should be controlled at 12.6 per thousand, and the planned birth rate should be controlled at or about 75. [passage omitted]

The responsible comrade of the regional Family Planning Commission pointed out that about 25 percent of the region's banners and counties have failed to effectively carry out the interim family planning regulations issued by the regional government. She urged these backward areas to adopt "more effective measures and exert strenuous efforts to strengthen grass-roots family planning work." [passage omitted]

At the conference, Zhao Zhihong, vice chairman of the regional government, who is also in charge of the region's family planning work, signed "letters of responsibility for attaining the family planning targets," with league heads and city mayors in charge of family planning work.

### Northeast Region

#### Heilongjiang Inspects Party Style, Performance

SK1304071590 Harbin Heilongjiang Provincial Service  
in Mandarin 1000 GMT 12 Apr 90

[Text] The provincial party committee held a standing committee meeting on 10 April to hear reports on the provincewide inspection on party style and honest performance of official duties. It called for efforts to take the decision on strengthening ties between the party and the masses made at the sixth plenary session of the 13th party Central Committee as the guide, and persistently and conscientiously improve party style and strengthen honest performance of duties. In line with the decision on conducting a provincewide inspection on party style made at the fourth plenary session of the sixth provincial party committee, 18 inspection teams led by leading comrades of the six major provincial-level leading bodies and joined by personages from various democratic parties, personages without party affiliation, professors and postgraduates of colleges and universities, retired cadres at and above the departmental and bureau level, and cadres of the organs directly under the province were organized. They went to the 14 prefectures and cities of the province, the organs directly under the provincial party committee and government, and the departments under the provincial farm administrative bureau and lumbering industry administrative bureau throughout the province to conduct overall inspections on party style and honest performance of duties from 12 February to 13 March. Wherever they went, the inspection teams heard reports by party committees, governments, and discipline inspection commissions, checked the typical units which had done a good job, a fairly good job or a poor job in party style and honest performance of duties, held forums attended by personnel at different levels, visited the masses, received the people who appealed for help, and did a great amount of meticulous work. The inspection team disseminated the party's fine traditions

with their own actual deeds, thus helping to strengthen party style and honest performance of duties, and enabling various units and people of various strata to have an overall understanding of the current situation in party style.

From the inspection, we can see that since last year, all localities have conscientiously implemented the plans of the party Central Committee and the provincial party committee, done a great amount of work in strengthening party style and honest performance of duties, and achieved fairly notable results. Major manifestations are as follows: Fairly good results have been achieved in sorting out and correcting the problems in the housing distribution and construction for party and government cadres. A total of 1,110 units of houses and 33.63 million yuan were recalled. These houses were left idle or excessively distributed to cadres, and the money was from the price difference for the houses sold to cadres at too low a price, overissued subsidies for construction of houses for private use, and misappropriated funds. A total of 428 discipline breaches in housing distribution and construction were investigated and handled, and 172 discipline violating cadres were publicly dealt with. New progress has been made in cleaning up and reorganizing companies. Throughout the province, 3,246 companies of various kinds were dissolved or merged, of which 569 were established by party and government organs. All the 2,373 incumbent cadres of party and government organs and retired cadres at and above the county level throughout the province, who had been engaged in business or who had run enterprises, resigned from either one of their jobs. Through auditing, 880 companies were dissolved and merged, and 1,199 discipline breaches were investigated and dealt with, recovering 29.32 million yuan of economic losses for the state. The work to allocate cars to cadres strictly according to regulations has been by and large completed. Throughout the province, 4,202 cars were found to have been allocated in violation of discipline, of which 276 were confiscated, 203 were transferred to other units, and 548 were put in storage, and fines totaling 16.76 million yuan were imposed on 3,175 cars. The phenomenon in which cars were allocated to leading cadres in a disguised way was greatly changed. The unhealthy trend of wining and dining with public funds has been notably restrained. After the regulations formulated by the provincial party committee and government on the meals for members of provincial-level leading bodies when they work in various localities were issued, all localities extensively reformed their methods for receiving and providing meals to these cadres, and carried out the system of paying for one's own meals, thus greatly lowering the standards of meals. The actual situation concerning the businesses developed by the children and spouses of leading cadres has been by and large made clear. Organization and personnel departments have put forward opinions on handling this problem, which will be put into practice gradually after being examined and decided on. Foreign trips by leading cadres have been effectively controlled, and the trend of travel with public

funds has been basically checked. Since last year, the province have stopped nine groups, involving 427 persons, from making foreign trips. Of them, 31 were at and above the departmental and bureau level, and 118 were at and above the county and section level. The past phenomena in which people joined traveling groups on various excuses, preferential treatment concerning foreign trips was granted, and people made foreign trips in turns have basically disappeared. Success has been won in checking the unhealthy trends in appointments of cadres. When promoting and appointing cadres, all localities have by and large strictly followed the procedures of conducting public opinion polls, conducting examinations by organization departments, and holding discussions and making decisions collectively by party committees. Public examinations were held when recruiting cadres, and the best were appointed, thus effectively resisting unhealthy trends. Corrections were also made for the past appointments of cadres made in violation of regulations.

A great number of discipline breaches have been investigated and handled. Last year, discipline inspection organs throughout the province put on files 6,194 cases, investigated and concluded 6,069 of them, and dealt with 5,633 discipline violating cadres with party membership, of whom 656 were expelled from the party, 825 were placed on probation within the party, and 185 were dismissed from their party posts. Meanwhile, 178 of them were punished according to the criminal law. Supervision departments throughout the province registered, investigated, and handled 2,714 discipline violating cases, of which 2,067 were concluded. A total of 1,666 persons were given disciplinary sanctions, and 147 persons were turned over to judicial organs.

The meeting pointed out: We should not overestimate the achievements scored in improving party style and honest performance of duties. Party committees and governments at various levels should clearly see that our province's current tasks for improving party style and honest performance of duties remain very heavy and arduous, the achievements we have scored in rectifying party style and punishing corruption still fall short of the demand of the masses, and problems are still many. Therefore, we should not, in the slightest degree, lower our guard and be war-weary. Taking the decision of the sixth plenary session of the 13th party Central Committee as the guide, we should persistently carry out the work to rectify party style and punish corruption in an in-depth and down-to-earth manner, and truly restore the prestige of the party and the government among the masses.

The meeting stressed: Practice of the province's previous endeavor to improve party style and honest performance of duty proved that problems in party style are not incurable. As long as the whole party further enhances understanding of the importance and necessity of the work to rectify party style and punish corruption, steel confidence and determination in making a success of improving party style and honest performance of duties,

and strengthen leadership, it will achieve a fundamental turn for the better in party style. First, party committees and governments at various levels should regard improvement of party style and honest performance of duties as an important part of the endeavor to improve the party in power, include it high in their agenda, and exert unremitting efforts to carry it out until success is achieved. Second, leading persons at various levels should start with themselves, and set an example in improving party style and honest performance of duties. Leading bodies ineffective in improving party style and honest performance of duties should be resolutely adjusted. Third, a responsibility system under which leading persons attend to improvement of party style and honest performance of duties should be established and perfected. Leading persons taking the responsibility should conscientiously improve the party style and honest performance of duties of the units and departments under their charge. They should closely coordinate with discipline inspection and supervision departments to personally investigate major and serious cases. Fourth, discipline inspection and supervision departments themselves should be able to pass the stiffest tests. They should both ensure that they themselves abide by law and discipline and remain clean and honest, and have the courage to take charge of the most difficult problems. Fifth, we should establish and improve the system of making work procedures and results public, and the system of supervision by the party itself, and by the masses, the judicial organs and public opinion. We should conscientiously carry out some practical work. 1) We should continue the nine tasks for punishing corruption defined by the provincial party committee and government. At present, we should particularly solve the problems of serious alienation from the masses, corruption of party style and damage of the image of the party and the government, such as abusing power to extort, withhold and misuse money, and to take bribes. We should analyze a number of typical cases, and handle them publicly to warn others against following the examples. 2) We should solve problems and establish systems simultaneously. In particular, we should establish some basic systems for making work procedures and results public. We should formulate different plans for rectification of different trades, and summarize and put forward different work regulations compatible with different trades. Laws should be established for tackling the problems of a universal nature. 3) We should pay attention to summarizing the advanced examples in party style and honest performance of duties, and widely publicize the advanced deeds so that the masses of party members and cadres can follow the examples.

#### **Jilin CPPCC Standing Committee Meeting Ends**

*SK1304020990 Changchun Jilin Provincial Service  
in Mandarin 1030 GMT 11 Apr 90*

[Excerpts] The 13th Standing Committee meeting of the sixth provincial Chinese People's Political Consultative Conference [CPPCC] Committee ended in Changchun today. Liu Yunzhao, chairman of the provincial CPPCC



Committee, and Gao Wen, Zhang Dexin, Geng Yuelun, Luo Yuejia, Jin Minghan, Cai Qiyun, Feng Xirui, and Zhang Hongkui, vice chairmen of the provincial CPPCC Committee, and 69 Standing Committee members attended the meeting. Deputy secretaries general of the provincial CPPCC Committee, and responsible persons of various committees and departments, of various city and autonomous prefectural CPPCC Committees and of the provincial CPPCC Committee office stationed in Baicheng Prefecture attended the meeting as observers.

At the two-day meeting, Vice Chairman Gao Wen relayed the guidelines of the third session of the seventh National CPPCC Committee. Vice Governor Liu Xilin attended the meeting and reported on the situation of provincial enterprises whose production has suspended or are partly-suspended and on the measures adopted by the provincial government.

Comrades attending the meeting also conscientiously studied and discussed the decision of the CPC Central Committee on strengthening ties between the party and the masses of people, the guidelines proposed by the CPC Central Committee for upholding and improving the system of multiparty cooperation and political consultation under the leadership of the CPC, and the circular of the provincial party committee on conscientiously implementing this important document. [passage omitted]

At the end of the meeting, Liu Yunzhao, chairman of the provincial CPPCC Committee, gave a speech. He put forward demands on how to better display the role of the provincial CPPCC Committee.

He said: The Standing Committee is a permanent organization of the CPPCC. In addition to discussing the work related to the committee, its main tasks are to participate in political consultation and to give democratic supervision to major issues such as discussing major policies and principles and important matters concerning the livelihood of the masses in the province and the united front work. We have made achievements in the work of the Standing Committee. In face of the demands under the new situation, however, we need your joint efforts to offer ideas and methods to continuously strengthen the work of the Standing Committee.

Liu Yunzhao said: The CPPCC Standing Committee is formed by representatives from all circles. In line with their own situation, the committee members should exert utmost efforts, work more, display their role, and expand the influence of the CPPCC. He called on the CPPCC committee members working in the Communist Party organizations at all levels and Communist Party members to work together with nonparty personages to

guarantee the implementation of the party's line, principles, and policies, establish cooperative relationship with nonparty personages, actively support their work, extensively make friends with them, and show utter devotion to one another. [passage omitted]

At the end of his speech, Liu Yunzhao called on the Standing Committee members to work hard to accomplish something, strengthen study, conduct investigation and study, unceasingly improve themselves during their participation in the discussion of political affairs, and exert utmost and joint efforts to activate the Standing Committee work.

### Northwest Region

#### Xinjiang's Ba Dai Stresses Stability, Unity

OW1204111790 Urumqi Xinjiang Television Network in Mandarin 1400 GMT 11 Apr 90

[Announcer-read report, prepared by station reporter (Yilihanaosiman), over video; from the "Xinjiang News" program]

[Text] [Video shows a meeting in which leaders are seated in rows of long tables facing other participants] The following report was prepared by station reporter [Yilihanaosiman]: The Chinese People's Political Consultative Conference [CPPCC] Committee and the United Front Work Department of the party committee of this autonomous region sponsored a meeting this morning to relay the guidelines set at the Third Session of the Seventh CPPCC National Committee.

Ba Dai, chairman of the regional CPPCC Committee, called on members of all nationalities and from all communities to earnestly study and to put into practice the guidelines set at the Third Session of the Seventh National People's Congress and the Third Session and the Seventh CPPCC National Committee. In particular, he urged them to intensively study and widely publicize Premier Li Peng's report so as to achieve unity in thinking on the basis of the guidelines contained in the report.

He called on the members to earnestly continue studying and implementing the CPC Central Committee's Opinions on Adhering to and Perfecting the Multiparty Cooperation and Political Consultation System under the Leadership of the Chinese Communist Party. They should make a real effort to carry out the functions of political consultation and democratic supervision under the leadership of the regional party committee, and contribute to the promotion of the solidarity of all nationalities and to the consolidation and development of political stability and unity in this autonomous region.



**Chiang Wei-kuo Denies Contact With Deng**

*HK1304045290 Hong Kong MING PAO in Chinese  
13 Apr 90 p 9*

[Report: "Chiang Wei-kuo Denies Report on His Private Contact with Deng Xiaoping"]

[Text] News from Taipei: Chiang Wei-kuo, secretary-general of the National Security Council of Taiwan, yesterday solemnly declared that U.S. well-known writer (Anderson) said in an article that he had had a "private contact" with CPC leader Deng Xiaoping, which was not true. He will further talk about this on 18 April at a meeting of the Legislative Yuan to discuss the budget for the council.

Chiang Wei-kuo saw the report some days ago when he returned to Taiwan from the United States. He has demanded that Taiwan's representative office in the United States convey his opinion on this matter to the U.S. side.

When asked whether he would write to (Anderson) for a reasonable settlement, Chiang Wei-kuo said he did not know (Anderson) at all and there was no reason why he should give him a direct reply. He would only report the matter to the government, and the fact should also be clarified by the government on his behalf.

As Tong Shih-fang, deputy secretary-general of the National Security Council, has been appointed deputy secretary-general of the preparatory committee of the current National Affairs Conference, which is the focus of attention in various circles, whether Chiang Wei-kuo

will be invited to the conference has naturally become a matter of interest to various circles.

But Chiang Wei-kuo said that so far he has not received the invitation and, if he is not invited, he will not demand to participate.

When interviewed by reporters yesterday after attending a forum on "rebuilding confidence and recreating miracles," which was held by the CHUO YUEH [outstanding] magazine for former U.S. Secretary of Defense Weinberger, Chiang Wei-kuo said he has already given an open, faithful, and sincere reply to the outside on (Anderson's) wrong report.

**Plans To Compete in 19 Sports at Asian Games**

*OW1104233490 Beijing XINHUA in English  
1515 GMT 11 Apr 90*

[Text] Hong Kong, April 11 (XINHUA)—Chinese Taipei will compete in 19 sports at the coming Beijing Asian Games slated for September, according to reports reaching here Wednesday.

Organizers of the Chinese Taipei Asiad contingent said they would participate in 19 competitive sports and two exhibition events. These are: archery, athletics, basketball, cycling, fencing, women's football, golf, women's handball, judo, shooting, women's softball, swimming, table tennis, tennis, women's volleyball, weightlifting, men's wrestling, wushu, gymnastics, baseball (exhibition) and soft tennis (exhibition).

The Chinese Taipei athletes are now undergoing the third stage of their training program.

**Li Huan Meets U.S. Congressman Horton***OW1304042190 Taipei CNA in English 0258 GMT  
13 Apr 90*

[Text] Taipei, April 13 (CNA)—The Republic of China [ROC] and the United States need to strengthen communication and consultations in order to maintain close economic and trade relations, Premier Li Huan told visiting U.S. Representative Frank Horton Thursday.

Receiving Horton and his wife at the Executive Yuan, Li pointed out that the United States is the ROC's most important trade partner, and that bilateral relations can be further improved through exchanges of visits and increased mutual understanding.

Premier Li hoped that Horton would offer to the ROC Government his comments about what he saw in Taiwan as reference for future reform.

The U.S. Congressman told Premier Li that he admired the Taipei World Trade Center and would certainly tell U.S. businessmen to make the most of its facilities after he goes home.

The Hortons are on a week-long visit to the ROC at the invitation of the Chinese National Association of Industry and Commerce.

**Taipei To Broadcast Via Satellite to Americas***OW1204134290 Taipei CNA in English 1114 GMT  
12 Apr 90*

[Text] Washington, April 11 (CNA)—Beginning later this spring, the Voice of Free China, the English program of Broadcasting Corporation of China [BCC], could reach—via satellite—more than half a million households in the U.S., Canada and Mexico through the C-Span Audio Networks.

P.P. Tang, president of BCC, and Bruce Collins, vice president of C-Span, signed an agreement Wednesday to add the Voice of Free China to C-Span's lineup of international radio broadcasts.

At the signing ceremony, Tang said the Voice of Free China is the voice of the Chinese people, and that cooperation between BCC and C-Span will provide best information about what is happening in China, both on Taiwan and the mainland.

The Voice of Free China is added to the schedule to give listeners a more complete look at news from Asia, said C-Span.

Currently, C-Span Audio carries radio Beijing's one hour English language program of news and features about Mainland China.

"We want to offer our listeners a balanced perspective on world events," said Beth Glatt, Audio Networks manager. "It is important to have another viewpoint from that part of the world."

According to the contract between BCC and C-Span, C-Span will receive one hour English program from the Voice of Free China every day through satellite.

The one-hour program includes news, feature story, and music.

Lin Tsun-hsien, deputy representative of Coordination Council for North American Affairs [CCNAA], and Jeff Yao, director of information division of CCNAA, witnessed Wednesday's signing ceremony.

**Travel Agents May Suspend Hong Kong Boycott***OW1304051690 Taipei CNA in English 0250 GMT  
13 Apr 90*

[Text] Taipei, April 13 (CNA)—Republic of China [ROC] travel agents might suspend a boycott campaign they had launched to press Hong Kong authorities to simplify visa procedures because the territory seemed sincere in improving conditions, a leading tourism figure said Thursday.

Chen Yao-chih, president of the Taipei Association of Travel Agents, added, however, that a formal decision on whether or not to continue with the Hong Kong boycott would have to wait until Friday when travel agent association leaders from around the country meet to discuss the issue.

In protest against what they had called Hong Kong's discrimination against ROC passengers and visa applicants, the travel agents launched their campaign in late March and urged local people to boycott Hong Kong products, cancel trips to the territory, and stop applying for Hong Kong visas.

Chen said local travel agents began to show a willingness to compromise Wednesday when they received a message from the Hong Kong Immigration Department, which pledged to further ease airport regulations and visa procedures for ROC visitors.

According to the message, Hong Kong immigration authorities promised to treat ROC visitors without discrimination, to allow temporary entry to ROC passengers stranded at its airport with simplified procedures, and to continue trying to shorten the waiting period for visa applications and to simplify regulations.

"The Hong Kong immigration authorities seem to be very sincere," Chen said. Local travel agents understood that the Hong Kong authorities needed time to get regulations revised by Hong Kong's Legislative Council, he added.

**Limited Benefits in Mainland Trade Stressed***OW1204034190 Taipei CNA in English 0238 GMT  
12 Apr 90*

[Text] Taipei, April 12 (CNA)—Land and labor costs are rising and laws and regulations change frequently in Mainland China, both negative developments which

would result in only limited benefits for Taiwan investors there, a research fellow at the Chung Hwa Institute for Economic Research said Wednesday.

Chiu Yi pointed out that Taiwan businessmen vying to invest in Mainland China could lead to big conglomerates "squeezing" or bullying small businessmen, another minus for mainland investment.

He said some Taiwan aquaculture businessmen had begun to move their investments back to Taiwan from the mainland following rapid rises in mainland land prices.

The rises had been caused in part by big companies from Taiwan offering relatively higher prices for land purchases in Mainland China, Chiu said.

Sometimes the big companies offered kickbacks to Chinese Communist officials, who then treated Taiwan "big investors" differently from "small investors," and withheld some preferential treatments from the latter, according to the expert.

As the mainland investment climate worsened, he noted, small investors had no other alternatives but to move their investments back to Taiwan.

A worried Chiu said that if these small investors returned to Taiwan and found the local investment environment deteriorating speedily, they might demand the Government protect their investments.

The Government would then be caught in a dilemma because it would have difficulty protecting local industries since it had planned to rejoin international trade organizations, he said.

As a result, he pointed out, protests would break out and social strife increase.

Chiu meanwhile urged the Government to "do something" about tycoon Wang Yung-ching's Mainland China investment plans, or the Government will come under fire for "only daring to swipe at flies while refraining from hitting the tigers."

He said Wang's Formosa Plastics Group had become what it is today—making Wang's wealth "enough to rival that of the state"—because of the Government's policy of promoting industrial development.

But now Wang had decided to move production to the mainland in spite of the Government's objection, thus setting a bad example for other entrepreneurs, Chiu said.

Wang's move would not only hollow out local industries, but also deal a nearly fatal blow to government authority, he opined.

On Wang's promise to remit revenues back to Taiwan, Chiu said "this is impossible" because it was Wang's U.S. affiliate which would invest in the mainland and Peking's economic controls would make it difficult for Wang to do so.

He said it was time for the Government to exercise its power and act about Wang's project. He also challenged Wang to reinvest in Taiwan's infrastructure if he really cared about Taiwan's future.

#### **DPP Chairman Says Independence Inappropriate**

*OW1304063590 Taipei Domestic Service in Mandarin  
2300 GMT 28 Mar 90*

[Text] During an open speech sponsored by the Culture and Education Foundation of the Society University, Chairman Huang Hsin-chieh of the Democratic Progressive Party [DPP] pointed out that his objection to shouting a slogan for Taiwan independence had nothing to do with whether he fears death or not, but when doing things we should proceed from the people's interests and happiness, and it is inappropriate to advocate Taiwan independence in the present stage.

Huang Hsin-chieh said: Some Taiwan independence advocates deliberately publicized that the Chinese communists dare not attack Taiwan during last year's election. It is not true. What shall we do if the Chinese communists truly invade Taiwan one day?

Huang Hsin-chieh said: Reunification or independence is definitely not a question that can be discussed and decided by a few people. Should the two sides across the strait be reunited? To answer this question, we should first ask the Taiwanese people, including Army veterans and mainlanders in Taiwan, whether or not they are willing to live a socialist life and whether or not they are willing to stay on the mainland after visiting relatives there. I believe that they will answer the question more clearly.

Huang Hsin-chieh said: It is definitely more important to solve the question of freedom and democracy in Taiwan than to advocate Taiwan independence in the present stage. The Kuomintang calls for reunification of China under the three principles of the people, but so far it still has not shown any sincerity toward reform. So, its call is still empty, impractical talk.

In addition, Huang Hsin-chieh pointed out: The Democratic Progressive Party hopes that the National Affairs Conference will focus its discussion on the main topics of constitutional government and on returning political power to the people. Other problems, such as the blacklist and release of political prisoners, may be discussed later in political consultations.

Huang Hsin-chieh said: In the reform of the constitutional government system, the Democratic Progressive Party hopes that the Constitution will be amended to clearly stipulate whether the Republic of China is under a presidential system or a cabinet system. If it is to be a presidential system, the Democratic Progressive Party stands for direct election of the president by the people. If it is to be a cabinet system, the premier and cabinet members must have the people's support and senior government officials, such as Li Huan, should be elected.

## Hong Kong

### British 'Right of Abode' Plan Discussed

Ji Pengfei

HK1304042190 Hong Kong WEN WEI PO in Chinese  
11 Apr 90 pp 1, 2

[Report by staff reporter Chen Chien-ping (7115 1696 1627): "Ji Pengfei Urges Britain To Consult China on Major Post-1997 Issues in Hong Kong"]

[Text] Beijing, 10 Apr (WEN WEI PO)—Today, when meeting with a delegation of social scientists from Hong Kong, Ji Pengfei, director of the Hong Kong and Macao Affairs Office of the State Council, said that the Chinese Government will not recognize the so-called "right-of-abode-in-Britain scheme" and the "human rights bill" dished out by the British authorities, and is now negotiating with the British side over these issues through diplomatic channels. Ji Pengfei pointed out: These moves taken by the British side are unfavorable to Hong Kong's prosperity and stability and will even create new trouble in Hong Kong in the future.

Ji Pengfei said: Hong Kong and the mainland will pursue two different social systems. The two sides should strengthen mutual communication, and only by strengthening communication can they better understand each other. Hong Kong people should learn about and study the mainland.

This afternoon, Ji Pengfei met with all of the members of the delegation of Hong Kong social scientists, headed by Guan Hsin-chi, in the Diaoyutai National Guesthouse. In response to the question about the main work of the Hong Kong and Macao Affairs Office in the next stage, Ji Pengfei said: The Basic Law for Hong Kong outlines the framework of the Hong Kong issue and codifies the Chinese Government's basic policies toward Hong Kong into a law. Thus, the future orientation of Hong Kong is ascertained. From the present to the real implementation of the Basic Law in 1997, Hong Kong will still be governed by the British people, and we will not interfere in Hong Kong's affairs. However, the British side should consult us on some major issues that have a bearing on the situation after 1997.

Ji Pengfei said: Recently, the British side dished out the "right-of-abode-in-Britain scheme" and the "human rights bill" without consulting us beforehand. So we will not recognize these things. He said that the "right-of-abode-in-Britain scheme" would turn the "Hong Kong people's self-government in Hong Kong," as stipulated by the Sino-British Joint Declaration, into a fait accompli of "British people's government in Hong Kong." People who get the right of abode in Britain may stay in Hong Kong if the situation is favorable to them and may leave Hong Kong if the situation is unfavorable. This will do nothing good for Hong Kong. Ji Pengfei said: The Sino-British Joint Declaration makes it plain that all Hong Kong people are Chinese citizens. Now,

through the "right-of-abode-in-Britain scheme," Britain may take several hundred thousand people away from Hong Kong. This is absolutely unreasonable and unjustifiable. As far as the "human rights bill" is concerned, it is said that this bill will be placed above all other laws and that all other laws will have to be revised according to the stipulations of the "human rights bill." This will, in fact, cast aside the Basic Law and will make the Basic Law invalid. So this is certainly unacceptable. Ji Pengfei said that the British side recently behaved very poorly in dishing out such things.

A scholar from Hong Kong said: A resident of Hong Kong is free to decide whether to accept the right of abode in Britain, but as a government's policy decision, it is not good to comment on the "right of abode in Britain" in the current atmosphere in Hong Kong. Ji Pengfei said: Hong Kong people should be bold and assured of justice on their side in commenting on such things. Hong Kong will be returned to the motherland, but some Hong Kong people are now being lured into taking full British citizenship. This goes against the Joint Declaration. Why do they not dare to say something about this? Ji Pengfei said: It is hoped that Hong Kong people will love the motherland and love themselves. They should be really aware that it is a very glorious thing that Hong Kong can return to the motherland through the hands of our current generation, and this will be recorded in the history books of the future. Some people in Hong Kong are aware of this, but they dare not talk about this openly for fear of asking for trouble. In fact, the present situation in Hong Kong is different from the past. There is the Joint Declaration and the Basic Law now. You can now express your opinions according to the Basic Law and the Joint Declaration. The Joint Declaration must be observed by both sides.

Ji Pengfei said: Our attitude toward the principle of "one country, two systems" is explicit, and this attitude has been expressed in the Joint Declaration and the Basic Law. That is, we will give a free hand to the people of Hong Kong in governing Hong Kong. Then, how should they govern Hong Kong? Anyway, "one country" exists in the formula of "one country, two systems," and there is also the "socialist system." Therefore, it is hoped that Hong Kong people will learn about and study the mainland and will learn about and understand the socialist system on the mainland. Only when Hong Kong people understand socialist things can they properly pursue the principle of "one country, two systems." Ji Pengfei said: By pursuing the principle of "one country, two systems," we mean that the two political system should not interfere with each other. We encourage you to develop capitalism in Hong Kong, but some people in Hong Kong do not allow us to practice socialism. This is not right.

A scholar asked why there was strict control over the coverage activities of reporters from Hong Kong and Macao on the mainland. Ji Pengfei said frankly that this state of affairs had arisen after the 4 June Incident last year. In the past, control in this respect was rather



relaxed. As a result, newspapers were full of hearsay from the streets, and this affected the credibility of the news from Beijing. Ji Pengfei said: It is necessary to tighten control in this field. He said that he did not understand why some newspapers in Hong Kong only try to report China's bad things and dark side when they send their reporters to the mainland and do not report the good and positive facts about China. For example, they do not mention that China can feed a population of 1.1 billion people and that it was not easy to develop China's construction to its present scale. In short, if China did not completely follow the capitalist practice, they would say that China was not open enough. Ji Pengfei said that in order to ensure the stability of the overall situation, we must tighten control. In the future, it is certain that control may be relaxed again. As long as they assume a correct attitude and do not harbor a viewpoint hostile to socialism, control can be relaxed.

After the talks, Ji Pengfei gave a dinner in honor of all members of the delegation in Building No. 3 of the Diaoyutai National Guesthouse. Li Hou and Lu Ping, deputy directors of the Hong Kong and Macao Affairs Office, and Rong Kang, director of the Second Department of the Hong Kong and Macao Affairs Office, attended the talks and the banquet.

#### Jiang Zemin

HK1304043790 Hong Kong SOUTH CHINA  
MORNING POST in English 13 Apr 90 p 5

[By Bernard Fong]

[Text] Senior Chinese officials voiced opposition to Britain's nationality package for 50,000 Hong Kong households during a visit this week to Beijing by Macao businessman, Mr Stanley Ho.

Communist Party General Secretary, Mr Jiang Zemin, told Mr Ho his Government would not accept the scheme.

Mr Ho also expressed his personal reservations about the package, saying it had caused divisions and jealousy among Hong Kong people.

He said although he understood the rationale behind the scheme as an insurance policy for some Hong Kong residents, he compared it unfavourably with the Portuguese Government's unconditional offer of 100,000 passports to the people of Macao, whose population is less than a tenth of that of the British dependent territory.

During his five-day visit to China, Mr Ho also met the Chinese President, Mr Yang Shangkun, and the head of the State Planning Commission, Mr Zou Jiahua.

Mr Jiang cautioned the people of Hong Kong against taking too keen an interest in politics when their natural strength was commerce.

He reportedly told Mr Ho that politics was for Britain and China.

But he also said Hong Kong had the full support of the central Government in economic matters.

The General Secretary said China, Hong Kong and Macao shared the same goal of stability and prosperity and blamed the tension between the British territory and the mainland on a small minority in Hong Kong meddling in the domestic affairs of the People's Republic.

China had made many concessions, including more directly-elected seats to the Legislative Council, to Hong Kong and the people of the territory should reciprocate by putting trust in the Beijing Government, Mr Jiang said.

#### Zhou Nan

HK1004095590 Hong Kong HSIN WAN PAO  
in Chinese 9 Apr 90 p 1

[Report: "When Asked by Reporter, Zhou Nan Reaffirms Opposition to Proposal on Right of Abode in Britain"]

[Text] Zhou Nan, director of Hong Kong Branch of XINHUA News Agency, reaffirmed this morning that China's opposition to the proposal on the right of abode in Britain is clear and firm, and that it is wrong for someone to try to stop China from criticizing it.

After visiting the "Art Exhibition of Centenarian Zhu Qizhan [2612 1474 4234]" this morning, Zhou Nan responded to the question raised by our staff reporter about Britain's proposal on the right of abode in the United Kingdom by saying: "The Chinese foreign minister and directors of the Hong Kong and Macao Affairs Office of the State Council have all talked about this issue. What they said reflects the stand of the Chinese Government, which is very clear and firm. The reason for our opposition to this proposal has also been spelled out very clearly."

He also said: "They say that China should not criticize. This is not right. We praise what is correct and naturally criticize what is wrong."

Arriving at the airport in Hong Kong last Saturday, British Foreign Office Minister Francis Maude said the nationality package is absolutely lawful and in line with the Joint Declaration. He said that the attack from China is not particularly helpful.

#### SRV Refugees Interest Reportedly Waning

HK1004021390 Hong Kong HONGKONG STANDARD  
in English 10 April 90 p 4

[Text] Vietnamese were increasingly aware that Hong Kong offered no answers and life in refugee camps was not easy, Emrys Davies, the British Ambassador to Hanoi, told local legislators yesterday.

Mr Davies said the British and Vietnamese governments, however, had still not broken new ground on the issue of mandatory repatriation.

He told an Omelco [Office of Members of the Executive and Legislative Councils] security panel that a new reception centre for returnees would be completed in Vietnam by the end of the month.

He said the centre would be able to handle 1,000 returnees a month.

Hui Yin-fat, deputy convener of the Omelco security panel, said Hong Kong may be able to repatriate 1,000 Vietnamese a month from June with the use of a TriStar aircraft.

Mr Davis reported that he had met almost all returnees from Hong Kong, voluntary and mandatory.

He said none had suffered as a result of their leaving Vietnam for Hong Kong.

The real difficulty returnees faced was economic integration.

He said Vietnam was very concerned about the use of force.

Hanoi found it difficult to accept the idea of mandatory repatriation.

But Britain would continue to try to persuade Vietnam to agree the procedure.

Asked how forced repatriation would be carried out, Mr Davies said:

"I don't want to show my hand."

Mr Davies arrived on Sunday for a private visit.

#### **Mainland Ignores Inquiries on Detained Student**

*HK1304035590 Hong Kong HONGKONG STANDARD in English 13 Apr 90 p 3*

[Text] The Chinese authorities snubbed all 30 inquiries made by the British and Hong Kong governments over a Hong Kong resident detained in Shanghai, a human rights concern group said yesterday.

The group was speaking after a meeting with the Assistant Political Adviser, Rod Buntin.

Yao Yongzhan, 19, an economics student at the Shanghai Fudan University, was arrested at Hongqiao airport in June for allegedly being a member of an outlawed student union.

The group members, calling themselves the Hong Kong Citizens Concern Group for Yao Yongzhan and Chinese Dissidents, said Mr Buntin told them the government had limited control over the case because Mr Yao was not a permanent resident.

They said Mr Buntin told them Mr Yao only had the right of abode in Hong Kong but not the civic rights which a permanent resident is entitled to.

Ricky Lee, the group's spokesman, accused the Government of using this as an excuse for not pursuing the case more actively.

"Mr Yao was less than two months away from fulfilling the seven years residency requirement. The Government could have been much more flexible over the case," Mr Lee said.

The group will send a four-member delegation to Shanghai next week to make contact with the Shanghai authorities.

The delegation, including Italian priest Father Franco Mella, will stay in Shanghai and Kwangzhou.

In Kwangzhou, they will also press for the immediate release of Liu Shanqing, who has been under arrest since 1982 on counter-revolutionary charges.

No comment was available from the Government last night.

#### **More Asiasat-1 Transponders Allocated**

*OW1104032990 Beijing XINHUA in English 0150 GMT 11 Apr 90*

[Text] Hong Kong, April 11 (XINHUA)—The Asia Satellite Telecommunications Co. had signed reservation agreements for 16 more transponders on Asiasat-1 Tuesday.

The first regional satellite for Asia was successfully launched on China's Long March-3 rocket on Saturday night, April 7, and is now in a circular orbit with a radius of 43,250 km, about seven times the radius of the earth.

Terry Seddon, chief executive officer of Asiasat, said: "We are delighted with the progress of the allocation of the transponders. To have signed 16 transponders in just four days must surely have set some sort of world record."

These agreements include one transponder for Mongolia, three transponders for South Korea and 12 transponders for Hutchison Telecommunications Limited of Hong Kong.

Of the 24 transponders on Asiasat-1, 19.25 have been allocated up to date, the company said.

Hutchison Telecommunications Limited has reserved six transponders on each of Asiasat-1's two beams. The northern beam covers China and neighboring countries while the southern beam targets most of South Asia, including Thailand, Pakistan, Singapore, Malaysia, Vietnam and Burma, and the Middle East.

The satellite will be ready for service in less than six weeks, according to the company.

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